thank you for joining today's consumer advisory board meeting . We will begin shortly . Today's consumer advisory board meeting will begin in just a few minutes . Good afternoon. I am paid to from the Bureau events management team . I will go over logistic. Please be aware that this event is being recorded and will capture rat cam images and the place of all speakers. Your attendance here is construed as your consent to these terms. L link for closed captioning will be placed in the chat box located near the bottom of the WebEx window. If you are having issues with your audio click on the audio button near the bottom of your screen audio options are located in the circle button with three dots the X window you will receive guidance on switching your audio to your telephone to adjuster with you are viewing the letter click at the top of the screen. You can toggle between the different use for technical support that is to couples and I will provide at the altar and the bad over to Emmanuel Manon .

Thank you, Tracy . good afternoon, everyone. I would like to officially kind beam the consumer advisory board meeting or cat meeting. I would like to welcome the bureaus advisory board members as well as members of the public thank you all for making time today. My name is Emmanuel Manon. I serve as the staff direct three here at the Bureau. Today I will be serving as the designated federal officer for this advisory committee meeting. The CFPB establishes advisory committees to provide substantive information, analysis, operational expertise, committees and feedback to and from informed the bureaus were advisory committees are comprised of a wide array of stakeholders that include leaders and experts from organizations and consumer you see, financial education, and that makes, credit unions, financial technology companies Marburg you can find a full list of the advisory committees memberships on consumer grants.gov the CAB establishment is outlined on the Frank act. He charges us with an important mission and I will call "to advise and consult with their fury and exercise of options under the consumer laws to provide information on practices in the consumer financial products or services industry including original chats, concerns and other relevant information.". As a reminder the views of the advisory committee members are their views. They are greatly appreciated welcome yet they do not represent the views of the Bureau to go over what to expect during this meeting it will run from 1:00 p.m. Eastern time and conclude at 5:00 p.m. Eastern time. Will start with remarks from the acting director. Our first agenda item is a discussion of COVID 19 updates and resources. The second item is about and USDA conversation about 2020 mortgage lending data. Our last item is a discussion on lending. Following each session there will be time for Q&A and discussion with advisory committee members and Bureau staff. During the call we will have 215 minute breaks. As a reminder to bureaus that and CAB members during the Q&A sessions that you would like to make a comment or ask a question please raise, use the raised hand icon in the system. Kaplan will then call you. Before you speak please be sure to unmute your life and provide your name, title and organization please be sure to mute your lungs when you are not speaking your diameter, if you could please put the rays can't function down so we know you do not want to speak anymore everyone should have received an email from my team with the meeting materials including the agenda and the presentation please open those documents now so you may follow along with us I am pleased to introduce David who was appointed by an to leave the CF BDS acting director breaks since joining the PO in 2020 the director has served as the bureaus acting chief of staff, Ansley Park talent acquisition and most recently as the bureaus she strategy officer prior to this time acting director served at the national Institute of health, the office of personnel management and the office of the secondary of events. Please join me in welcoming the director to today's discussion. Acting director.

Thanks, Manny. Good afternoon, everyone. My thanks to all for joining today's consumer advisory board meeting. My thanks to Eric Kaplan as the chair. I expect we will gain valuable insights into our policy development, rulemaking and consumer and industry engagement. With your help, we are able to be proactive in keeping markets fair and competitive and protesting consumers so thank you all for your contributions. The first sessions will focus on the length of the mortgage market is complete we will move into a discussion nonracial and very in home mortgage data I discussion will be a discussion on student learning when I began as a director one of my two main priorities is seeking relief for consumers hardship due to Colin and Annie multiple vaccines have rolled out to fight COVID 19. Almost all schools will be open to all and most people are either hanging to or actually searching for work. The fact that he doesn't has refused to give us an opportunity to fully recover financially, physically or psychologically in this program consumer stated illness as they consciously watch the clouds we ensure we are on the individual and family participate in the recovery while doing what we can to protect them from the children I had to spend it back in March of 2020 the government activity in their own 18 months later housing remains a priority as federal or thorium any nation bands and adverse financial are catching up soon now will actually 18 months for Marcus Peters or over a years worth of rental payments. Provides support to individuals and families who are recovering and not yet fully recovered. Past recessions and policymakers have focused on macro data to determine whether the country has recovered ignoring regional data can cause families and communities to be left behind. In fact, less than a year prior to the start of the pandemic researchers from UC Berkeley Institute for research on labor and employment argued that stagnating wages increase quality show that many parts of country recovered of the great, right as the great recession hit, the AFL-CIO published an article arguing many workers continue to about 2001 we always have people trying to recover from the past crisis whether crisis hits tells me that we must focus on transitioning, and families to the pandemic economies of of the country's growth we have taken steps to just that on August 31st, really unedited mortgage servicing rules will go into effect the rules are designed to prevent avoidable foreclosures all ensuring the housing market remains open, fair and competitive. All qualifying homeowners to know there are options that the decision is best for them and their families. For ventures we recognize that many need to face the threat of eviction. Rent arrears are both is to find appropriate housing and we do not want actions outside of their control way as such we released an enforcement complaint splits and I like 3 reporting agencies and furnishers of their critical obligation to accurately report rental and eviction information. We lost a rental as the designer tool on our coronavirus website. To help renters and landlords I really the sooner renters and artists can find financial relief the better the chance of a in house after the CDC eviction moratorium and we know more needs to be done throughout the pandemic and even during this recovery stage we have received tens of thousands of. The 12 months preceding March 2020 we are in slightly over 24,000, a month recently has been more than 75,000 customer complaints a month a testament to the continuing struggles of consumers and their. We are to monitor and review the complaints to understand problems and issues faced by consumers. We want to know what we can do to help consumers in the post pandemic economy. When we begin to: discussion we will continue to discuss the economic and market effects of the pandemic. We will explore the current financial state of consumers and family transition into the new economy benefit from the national recovery item on our agenda other inquiry racial and socio-economic priority. The has many struggles of communities of color and historically underserved communities. We will focus on any mortgage market we identified that they cannot lead us to do conclusion help us to ask the right questions and to identify the most relevant problem. We know partners education and originations. Substantially in 2020 because of the refinance boom by of the year on the refinance boom all racial groups are increasing as the population they shared refinance for black and Hispanic callers decline we also continue to see a significant improvement in other areas and mortgage applicants continue to be rates why applicant black and is continue to pay higher interest rates than white borrowers but overall black and is okay sandbars continue to have lower median credit scores and lower the loan amount. Homeownership is important to the growth of sustained and we need to determine how we can begin to significantly move the needle on home purchases by minority and lower socioeconomic individuals and family. To be a pay rate second to those enjoyed by way of notice or for that matter even be able to see the end of for to hearing how you think that HUMDA DA can increase racial and socioeconomic. Today's final discussion is on student landing. We will receive a presentation on the 2020 annual report PMDD private education. We will also on the student loan work we will discuss student plan the trends and thieves. Laws enable borrowers to my aunt able to go to college. They are often from nonwhite backgrounds. The hours are students just as may not be familiar with credit, loans and issues raised our K-9 borrowers pay we are committed to educating power so they can make informed decisions. On our website we have student borrowers and families learn how paper for student loans as well as provide educational resources on managing the money they received and the right strength repayment process. Whilst can open doors for many people can carry significant risk. That amount of their personal is pretty because I think the education the loans paid or may not provide students with the desired job or career as they are seeking. When these outcomes are due to unfair or deceptive practice lenders and creditors accountable. The annual report such as we are making a hours and regulation were down significantly in 2020. While the cares and other measures that was certain other factors play a role as well including our outreach, external compliance monitoring. We still have a long way to go. As a apostle of federal student loan debt is second to only mortgage debt. That debt is not spread evenly across races and socioeconomic status. A white borrower will borrow closer to $80,500. Black powers represent a disproportionate share of the deck. Although most student loan borrowers are young adults consumers age 60 and older are the fastest-growing segment of the student loan market this is not only the result of hours carrying student debt later in life but also the growing trend of grandparents financing their children's and grandchildren's education. This jeopardizes older persons retirement. We need to continue research into student loan debt social and economic and student loan financing and graduation rates, education and empowerment and student loan debt relief and scams. We are also dedicated to preparing for and assisting student loan borrowers with administrative forbearance when federal loan atoms. I want to hear how the ministry of forbearance duly held still has your communities. I also want to hear how we can support hours when the resume paying their student loan debts. I student loans and other topics for today your feedback and insights will help us protect consumers in the financial marketplace. Informing our supervision, education and rulemaking work. I want to thank you for considering your work during the pandemic. We took on so many more responsibilities during these changing times for your commitment is especially appreciated. We have had to constantly as the effects of the financial markets and communities. We will continue to through the tail end of the pandemic. I am grateful consumers have you in the recorder. Right now is the time for my need to leave today's meeting at 1:34 previously, the members of my staff will remain throughout the sessions key takeaways and action items. I like to update everyone on the vacancies across the advisory committees. Continued review of patient will make decisions in the near future number of outstanding individuals off-line so thank you for helping the word, for your service to the Bureau, and for joining us today. Thanks so much.

Thank you acting director. I would now like to pass this to the C.A.B. chair, Eric Kaplan. Thanks very much, Manny. Thank you acting director. I will get to that a little bit more in a moment. I'm very pleased to be here today with all of you and with my fellow C.A.B. members and Bureau team. I want to go Manny said the acting director's comments and welcome everyone here today thanks for joining us and tuning into this consumer advisory board meeting. We are joined by members of the C.A.B. has been a privilege to serve as chair of the C.A.B.. For me it has been the most meaningful part of my career and the impact it has allowed me and fellow C.A.B. members that has been remarkable especially I appreciate that and am grateful for the opportunity. I want to a college Leigh Phillips who is the CEO of life. She now serves as vice chair of the safety and she will be assuming the role of chair. I look forward to the transition from my tenure to hers and also the chairs of the Community Bank advisory Council, the credit union advisory Council and the ARC, they will have their visa for a few days so please keep an eye out for those as well. I want to take a minute to convey a few thoughts on the Bureau as this will be my last public economy being as C.A.B. chair. Recently had its 10 year anniversary. It was since established and also in the work of the Bureau and its people. A year ago as the pandemic tightened its grip we were all playing defense and doing our best to navigate a very scary unknown at that time I called the Bureau and agency at work. That was because its tenacious effort to carry out its mission in the face of tremendous unknown. I had the opportunity to see this from a front row CSA C.A.B. matter. It is critical to help Americans whether the challenges we all face and simply trying to abort our lives for this is not pleasing, it is not a bad thing, it is like for everyone and it applies to all of us. Is the highest of people you know and if you do not think it is you are probably not looking hard enough. It put tremendous effort to do the hard work to make sure we have safe, equitable, inclusive and fair consumer markets. To protect consumers, to give an opportunity for financial empowerment is squarely within its mission, the Bureau is laser focused on identifying where this is not so and working to change that for good is incredibly important, just a few efforts of the Bureau. There's a ton more they are working on as well. The Bureau does this by listing, learning and collaborating with all stakeholders and by doing serious work that takes into account the very important diverse viewpoints to try again policy and regulation right. I don't think I've ever seen a better and more his responsiveness from a corner of the government as I have seen at the Bureau during the pandemic. I say it because I truly believe it. If you remember the Bureau was asked in response to the damage and devastation of the great financial crisis on millions of Americans. The significance of the work that the does and the steps that is taking how to navigate the pandemic to try to protect Americans on American families in the: crisis, it cannot be overstated. Simply put, without beauty or untold millions of Americans and American families to welcome to stay in there, stay protected and an powered job if you are not aware of this you will hear great examples and, the amount of work they've been doing is tremendous. That is not just in respect of the pandemic and getting to the pandemic but also in terms of the mission. There are too many Americans who are not aware of what the Bureau does on the free resources and guidance it makes available in its mission to help. I ask everyone listening today please share your information about the networks. Please help Bureau amplify this message House Whip resources one family it will be worth it. I do think the Bureau touches on our day-to-day lives in a way that maybe no other agency does. At least not so palpably. I do want to thank acting director for all of his efforts in helping transition the Bureau from one ministration to the next seamlessly. Even more so although your title may be acting director there has been nothing acting about your 10 year. The Bureau during a crucial time when your leadership has been needed more than ever it has been a difference. My sincere thanks and thanks on behalf of the C.A.B. for all you done for the country. I would like to ship to our first agenda item on COVID 19 virus there will be four presentations including recent Bureau research on mortgage challenges, the mortgage service and final rule overview, work on development and recovery resources and consumer response complete snapshot. Joined by Bureau leaders today and subject matter experts from the office of regulation markets, and the office of consumer response. They include Mark from the office of mortgage, Kristin, office of regulations, Terry Mandel, office of operations, Jessica Russell, office of mortgage markets, and Barbara from the office of consumer response. Mark and Kristen I would like to turn it over to you to begin our discussion . To, Eric. My name is Kristin going to talk today about the current market data. What we have been seeing in respect to challenges homeowners are facing and I will talk about the research the Bureau has put out this year. This is just my quick disclaimer. Any opinions or views I enter my mom and may not necessarily represent the Bureau's views . So, first I want to start off with the good news. Currently, foreclosure rates are at historic lows and that is in large part to the federal foreclosure moratorium and a forbearance programs that are provided millions of consumers partners really. Also great news is that ended July 31st and the pandemic is clearly not over leaving homeowners still struggling . And so I think what we see in the data? How are we measuring data for homeowners? In March the Bureau released a report on housing and security. This report shows just how the pandemic has affected both homeowners and renters and provides full data points just so people can get situated with the problem we are facing an important point brings up is housing insecurity is not just about having a place to live, it is health, both physical and mental and has wide impacts on communities. In this report we saw at the end of 2022. 1 million borrowers are more than three months behind on their house and payments which is a sign of distress. Since then there has been an improvement. The economy has covered a little bit, 2.1 million, 7 million but this number is still much higher than the pre-pandemic days. Nearly 3 times as much higher. So, what are some of the risks that can come from this? As I mentioned earlier, one of the good straight from the pandemic is that millions of consumers have received relief whether it is day programs for mortgage forbearance where people can temporarily pause their mortgage payment. Currently as of July 1.9 million consumers were so the vast majority of those borrowers are significantly behind are also receiving some form of relief. But, one of the reasons that we see is that an estimated 900,000 borrowers were projected to accept forbearance in the second half of the year just because they are reaching the end of the forbearance period. The bulk of those accidents are happening in September and October. So, very soon services are going to need to provide borrowers more time. This could result in confusion, delays and in the worst case avoidable foreclosures. I also want to draw your attention to the fact that a large portion of these borrowers in forbearance have a FHA Loan FHA loans serve communities of color, low income borrowers, and first-time borrowers. On to the next line. Speaking of I think one of the things we have to remember right now is that communities of color display disproportionately suffer the impacts of the pandemic inmate the Bureau put out a report called the characteristics of mortgage members during, 90 pandemic. Our office of research and some interesting research that found that powers were in forbearance or behind on their mortgages are disproportionately black and Hispanic. Black and Hispanic powers are also disproportionately likely to have less equity in their homes. Directing acting director talked about this. Black and Hispanic powers were hard-hit during the financial crisis. Another blow is likely to have a lasting impact of these communities and their ability to maintain and accumulate wealth this is a critical time for thinking about fencing equity. Finally on the last slide I want to talk on other customers that have faced greater housing security risk during the pandemic as those who are living in manufactured housing also known as mobile homes. On average owners of manufactured homes have lower incomes and their work was affected during the pandemic so they were more economically vulnerable. Many manufactured home owners might not use traditional mortgages to purchase their homes. They might use personal property loans also referred to as title loans to purchase their homes. These laws have fewer consumer protections which can make these homeowners more vulnerable in the case of foreclosure and repossession. With that I think it is time for me to pass it on to Thierry. Terry .

Hi, good afternoon, everyone. I am Terry Randall. I am in the office of regulations at the Bureau . as we have been discussing my firstly, many homeowners have been struggling to make their mortgage payments as a result of the pandemic. The Bureau as one of the many actions we have taken to assist struggling consumers the Bureau issued a final rule in late June to help consumers homeowners who are struggling. I will provide a brief overview of that rule . This is the same disclaimer that Christin Dave so we will skip over that. Now just a couple of high-level points about the inotropic I don't row aims to facilitate a smooth transition as various federal foreclosure protections expire. Chris did mention some of these pretentious inspiring. All of the amendments and their intended to protect powers during that period of time as a result of the pandemic. I hope later, the final rule takes effect of this month so is 31st. There are four key MMS that are included in the final rule and they are listed on the slide. I'm going to provide a quick overview of each of these format amendments the first amendment is one we have been calling special COVID 19 procedural safeguards. This particular provision aims to help ensure that borrowers have a meaningful opportunity to work with our service or to pursue loss mitigation or for closure of is often before the servicer can stop the foreclosure process is a limited scope. Only applies if the mortgage obligation became more than 120 days delinquent on or after March first, 2020. The statue of limitations in the state will not prohibit the servicer by making the first after January 1, 2022 in Sunset on January first, 2022. Next slide. A little bit about the operation of this particular provision. The final rule requires servicers to ensure that one of three procedural takers are met for the servicer can make the first required for closure due to a delay with a period of three perpetual buffers what is the complete loss mitigation application radio mise the servicer has received a complete loss medication location from the borrower and completed all the steps required by regulation expert review, notification feel that loss mitigation is in general it means there are no lost dedication loss of borrower has rejected all of loss medication the second safeguard is if the property is updated according to state or municipal law where the property is located. The property being secured mortgage loan I know is one unresponsive borrower this means that from 90 days before the servicer makes the first notice or filing or those first 90 days preceding the filing the servicer has completed certain required steps to communicate without power during that 90 day period the servicer rather than the borrower has not communicated with the servicer and all and the rule provides details about what that means if the borrower wasn't a forbearance from the last 30 of those 90 days have to be after the forbearance program expired. That is the first key preservation the special COVID 19 procedural self-guided safeguards. These are, this provision is an exception for streamlined loan modifications. The current mortgage servicing rules generally prohibit servicers from offering of borrower loss mitigation often based on an evaluation of an loss mitigation application. The final rule creates an exception for that prompted prohibition servicer a streamlined loan modification if the borrower is extrinsic hardship the loss mitigation option meet certain criteria. This is similar to the excessive force or deferrals and claims the adopted in the interim final rule last summer. I hope that this particular matter is it will make it easier for borrowers and services to quickly resolve or parents or an extended delinquency. The third key MMS or what I've been calling expanded early intervention message as per the existing role has early intervention requirements. One piece of that is services are required to make good felt is to live content with delinquent borrowers on a certain timeframe. If the servicer establishes live content with the power the servicer has discretion about our loss mitigation option final rule is that discretion into circumstances and requires the servicer to tell the were about their loss indication options in those circumstances those two circumstances are generally the borrower is still not in forbearance program and there is a forbearance available one of our that is experiencing a COVID related hardship stance is the borrower is in a forbearance program experiencing COVID 19 related hardship and it is near the end of the forbearance program in those circumstances the servicer had borrower was prescribed information about their options. During the conversation of the servicer must also borrower how to find information for housing counselor is Sunset on October first 2022. Next slide please. The fourth and final TR amendment in the final rule is something that I've been talking about as the timing of reasonable diligence contact Bert the existing rules require something we call the reasonable diligence contact at the end of the forbearance program. This means that he has to reach out to the borrower for the apartment and ask power they want to complete a loss medication location the final rule of a case is required just a little specificity that requires servicers to make this reasonable diligence contact no later than 30 days before the end of the organs. Is the borrower asked for the servicer has to exercise reasonable diligence to complete a loss medication application before the end of the organs. . Forbearance period. Is our brief our review of the mortgage servicing final rule and now will turn it over to Jessica Russell. Thank you so much commentary. My name is Jessica Russell. I have the pleasure today of highlighting a few of our human resources. This is the same disclaimer that others will skip this. So, the protections and resources, there are variety that exists for both homeowners and renters. They are not always automatic and some consumers are unaware of either the rights or their options. The Bureau offers a full variety of resources to help consumers and here today we really welcome your help to help us get out the message and boost awareness of the spirit what our main resources is the intra-agency housing website is available at consumer finance.go/housing. I will give up and shout out to our interagency partners for their collaboration on these resources. It has been a great way had a one-stop shop for information. These are just being shot. We provide information for all owners, or renters and landlords. For homeowners, we have a bunch of information, text, videos about forbearance we walked consumers through the process of requesting forbearance, extending it as needed and getting ready to accept. Obviously, that last piece is really important for as alluded to there is a way of preparing to exit this fall. We also have information about of waiting for closure and information on specific. Importantly as many of you know,, customers do not have to navigate this process although. Page three acres to get expert help they want it by for example contacting a housing counselor in their area. We have links to to help them find a housing counselor. It's like . We also as I alluded to have information that is specific to reverse mortgage borrowers. Definitely check that out. If that is relevant for your constituents. So that is all on the homeowners side. We also have a plethora of resources for renters . To help avoid eviction, can't help with rent and utilities, make a plan, connect with experts. Most recently something I really want to emphasize is that we just launched a rental assistance tool that is very easy to use. This is just a screenshot showing the rental assistance tool to help connect borrowers or not borrowers but ranchers with state and local programs in their area. A search by geography and provides links to the resources available to the that they may qualify for can help them pay for rent and utilities. We just launched this tool that have been very popular and I highly encourage you to check it out wisely. It is a great way to connect borrowers to those resources. Since I am almost out of time I will go through these last slides fairly quickly. I will just know a few of the other types of resources we have. We do have resources or landlords because we know it is also important to constituents and it can also help the tenants. Importantly, we found a lack of engagement with our videos which we provide in both Spanish and English . We also have resources available in several different languages so we all offers seven languages and my resources to try to reach consumers where they are. So, I would encourage you to check out also our digital toolkit. You can see that the link is down there it is the housing security media token. As a whole must of handouts, social media, potential email. Those are ready-made so you can just plop them into what you are doing and take an image of the so-called about whirlwind tour is just our housing resources. We have also a whole bunch of other, related topics that we touch on including dealing with student loan, staying on top of bills and budgeting, avoiding scams and a lot more. There is stop go/coronavirus. That is the quick tour of what we offer. Thank you so much for the time. Let us know if you have questions and please, please help us get the word out that, I will pass it on to Barbara. Thank you, Jessica. You

Good afternoon, everyone. My name is Barbara Maurice. Her response is responsible for, monitoring and responding to consumer complaints. Complaints are one of the primary ways we understand the problems and issues consumers are experiencing in the consumer financial marketplace. 2021 the CFPB has received more than 75,000 complaints per month we use this information to support a range of CFPB activities including our supervisory enforcement, rulemaking and educational work . It says the declaration of a national emergency in response to comment 19 in March 2020 we have been monitoring consumer complaints to better understand the problems and issues consumers are experiencing in the pandemic. We periodically publish Consumer Reports to Charlotte we are saying that in July we published observations about what we are seeing in where Congress or the CFPB took action to provide relief to consumers. These products including federal student, making payments and actions for renters. Today I will summarize some high-level observations of these reports are also available on the website. This past May we published observations about what we were seeing in mortgage complaints where consumers discussed forbearance as shown in figure 1 mortgage complaints increase significantly in spring of 2020. Since this initial spike and subsequent decrease in May and June 2020 of volume of mortgage forbearance conflicts remains steady and increasing March 2021. A common topic consumers in mortgage forbearance place concerns service communication. Some consumers express frustration the services do not communicate clearly about which relief options would be available when there forbearance. And then other consumers describe confusion with mandatory notices based on complaints and consumer responses skews me it appears consumers would benefit from clear communication from services over the phone and in writing. In our July bulletin last complaints about federal student loans, economic impact payments and debt collection complaints related to evictions. For is about federal student loans as shown here and figure 2 is a play on decreasing the police suspicion suspect 2020. Please do the real borrowers describe issues when interacting or attempting to interact with their loan servicers. Many of these borrowers describe encountering issues when attempting to complete routine account activities. For example, borrowers describe Bob to lace to answers to questions about their account status. These issues raised concerns about servicers preparedness when Bowers entered repayment. However, last week bye director of the U.S. Department of education to extend the pause of federal student loan payment until January, 31st 20 22. As shown in figure 3 the CFPB mention economic impact payments after each disbursement. For customers who had overdrawn accounts several financial institutions advanced an amount equal to that negative balance so these consumers content for each of their impact payment. Later, when financial institutions reverse this payment customers reported that they were not expecting a reversal. So consumers reported assessed overdraft charges with a reversal happened some of these consumers reported that they were more overdrawn after the advanced was reversed and they were both for the stimulus payment was deposited. This raises an additional issues relating to impact payments including account closures or difficulty accessing funds on prepaid cards. Finally the collection complaints related to rental eviction break as showed in figure 4 the volume of the collection complaints when consumers discussed evictions were relatively consistent over the last year until seeing an increase in recent months. This increasing complaints discussing evictions may be explained in part by the CFPB's increased focus in this area and are complaints consumers describe a curry eviction preceding where they were being contacted by a debt collector or an attorney. More often consumers describe the collection activities following. Fiction . That concludes my remarks for today. I thank you for your attention and now I will hand it over to our meeting chair. Thank you. Great. Barbara, thanks very much and thanks to all the bureau team presenters. I'm going to open up comments to the C.A.B. members. C.A.B. if you can remember to raise your hands in the chat box to let me know you want to speak. In a perfect world we would be impressed that would not have to do this but please do it. We will try to make it as interactive a conversation as we can given the virtual format. Please try to keep your comments to a few minutes but we will try to keep it to a back-and-forth. Please identify your name and organization and role as well. Let's get started. C.A.B. members, I would like to turn it over to you. We can start with perhaps Nadine .

Time. Thank you so much Eric thank you to the Bureau for the presentation . I wanted to follow-up on something that was discussed which is that servicers often do not communicate clearly with borrowers about their post forbearance options . I know I saw mention of this interagency group and I am wondering if there can be an interagency group that would create a centralized escalation point for borrowers who need help reaching out to their servicers I just want to add that I think some kind of actual person to person outreach with borrowers would be helpful. I know we have a good complaint mechanism by Allah of borrowers, low income borrowers, unsophisticated borrowers are not comfortable with just computerized complaints. I think they feel they are not getting a real response so I just wonder if the Bureau has any plans to have some kind of centralized escalation point and some way to have someone speak with borrowers directly? The main thing, Nadine. By the way Nadine is with greater Boston legal services. Thank you.

I know you have been seeing a lot of this on the ground we have had conversations about it. I want to open up to the Bureau to see if they can respond to that I do want to say is an interesting point you raise. We know that one of the big things and there has been tremendous collaboration between industry and advocate, nonprofits and the Bureau and other agencies as well in terms of trying to create pathways to reach the most honorable borrowers. The ones who may not be as responsive to servicers, have a legacy of being afraid of talking to servicers because it is typically in connection with defaults, delinquencies. It would be interesting if there was some sort of centralized path or process where there could be some assistance to follow them to the right person. I do know and one of our C.A.B. , Rebecca Steele, runs one of the largest nonprofit counseling agencies. I do know the drive to connect people with free nonprofit counseling agencies to try and help them navigate the process is a bit of a proxy in that regard. That I have seen the benefit of through friends and other contacts where those services have really helped them. To the credit of all stakeholders who are trying to create solutions I think that is a good interim step. Let me stop there and the if anyone else on the Bureau would like to weigh in . Go ahead, please. I will just say that I think you are right. We do connect folks to counseling whenever possible and that is a good resource for consumers to talk to folks and understand their unique situation. Given the, September is right around the corner. I don't know we have the ability to stand up entirely new process before falsely forbearance but we are going to look closely at complaints and see what we can do to see that we spot trends on the front end and connect folks with counseling whenever possible.

Just one other thing I wanted to add to that. If there can be a way to reach out to the borrowers directly. Maybe some kind of dedicated to deal with the housing counselors and other. Who are running into roadblocks to have someone at the CFPB that we could contact. That is another possibility. Very, very much, Nadine. For those watching that was Mark McArdle was the assistant director of mortgage markets. I actually want to say Mark has been tremendously involved in the collaborative between agencies. Thank you for the work you and your team and Kristin are put in. I want to turn now. Nadine, thanks very much. I want to turn to Rebecca Steele for next comments or questions.

Great. Thank you, Eric for that. A couple of things that I just wanted to touch base on what is the hot counseling piece which I think is a great best practice that we have refined over time. One of the things that I would suggest, not only a centralized connection but also more instructions and education. From a standardized perspective what are the options, how to reconnect servicers and consumers get comfortable in a trusted way for the outreach? I think there are options for more work there to prepare hot housing counselors. The other thing I would say is service or confusion is going to happen as we know through this forbearance process for even the simplest instructions are complicated. Taking a look at service or communications, no we do not constantly but really, really important played image plain English is really important for the actions the consumer needs to take and what options they have in simple terms is also really, really important that I would say there is always going to be a group that will need more holding the other thing is the digital environment Israel. I would also say that electronic outreach is not always the best because there are those homeowners and barbers who do not have access to even the simplest technology broadband, phone or even have an email address. Over the last few months, especially with the renters but also borrowers, we found those were some device that we really need to be conscientious about. Thank you. Again, Rebecca Steele . The MFCC for credit counseling.

Thank you, Rebecca for mentioning that at the end. I want people to know what you do on the ground day today you have a few into so much of this directly . And see where things can go right and see where they've gone wrong and organizations like yours are really doing a tremendous job trying to connect people one, educate them and help them get to the resources they get resolution when they found themselves in a very difficult spot very important viewpoint and thank you for that. I would like to turned out to Mae Watson Grote.

, Eric. Barbara Maurice's presentation was so fascinating. I really appreciate having the snapshot of the complaint snapshot. That was really insightful. I was especially taken aback by the spicy complaints about how the economic impact payments were interacting with people's accounts. Specifically around the data come around how consumer's accounts were overdrawn. That was actually a really small part of what we saw, what we have been seeing for the last year plus. It is really three steps before that around access. We have done most of the work with our customers around eligibility, especially when folks have been I-10 versus a Social Security number. In not filing a tax return what the impact of that is or even navigating the gap my payment to all. We did a lot more of front end work and I am really curious if Barbara could comment on what perhaps the complaint snapshot looked like. If there were perhaps as many complaints with regard to access or did folks already have to feel like they were engaged with the system before they were ready to speak to how they were experiencing the payments. To Barbara, are you able to respond to that? Maybe, if you can let the attendees know your name and role that would be great. Just so we have some context. Feedback Mae Watson Grote, we are a nonprofit tech platform who served nonprofit practitioners naturally to help build the financial security of their consumers. Matt Barbour, you want to respond? Be my kite, yes. In my and also complaints really honed in on complete information where I signed vast majority of consumers were speaking specifically to their accounts being overdrawn. I did not see a plethora of language to consumer speaking different type of issues that mainly jumped into the overdrawn issue in the analysis of my complaints. Great, thank you, Barbara. I would like to turn next to Jean .

Thanks so much, Eric. Jean from AARP. I run programs at a nonprofit that is serving the Americans 50 plus. Both our members as well as consumers that large. I want to thank the CFPB staffers shake their insights on research as well as the practices and resources on this issue. I think everybody is interested in supporting folks through this housing crisis that is looming. I guess my question builds on what Rebecca said about resources and education. Beyond that, the work that we do a AARP providing information, much of what I do is on education is focused on optimizing the outreach and understand how people respond to resources. My question is really geared toward Jessica Russell. One thing that would be helpful as you ask for support and which we all want to do is a better understanding of what actually works. What have you seen breaking through particularly hard to reach communities, committees of color that we see disparate impact on this issue and help them since we are not necessarily connected to the backend of the operations at CFPB, is there a way to provide insight around --.

I think, Jean, are you back?

Yeah. There may have been a bit of a freeze but if you can repeat your question at the end. I'm not sure if it is me or you on the face but if you can repeat your question. My question was geared toward Jessica Russell Association can provide additional insights around hobbies that were and she mentioned reaching consumers where they are at fault wanted to get one level deeper to see if those insights, taxa, outreach activities where they have seen a positive response. Thank you so much for the question. So a couple of things come to mind. One is and this touches a little bit on talking on the digital divide. Many people do not have broadband but we are seeing quite a bit of interest in traffic on our resources through mobile so a variety of people or the maturity of folks are coming are on mobile so one of the things we have really tried to do is to optimize resources around that where possible. That is definitely something I learned and something that we have been focused on . in terms of reaching a variety of communities, we are engaged in marketing efforts to reach communities that are vulnerable and I'm not the point person on that so I do not think I can speak to sort of what has worked and what has not but we have definitely come I know on the homeowners side found that consumers responded well to messages around making unplanned and sort of taking a proactive approach to their forbearance. Not just sort of waiting to see about getting ready and prepared to accept and that is something that based on the insight we have doubled down on. The last thing I will just mention because I breezed over it pretty quickly was the toolkit that we have. The has a number of freezers, videos, we found a lot of engagement on videos. They can be time-consuming to produce but we do get a lot of engagement so we think that is a very nice tool. For those who prefer more we have a variety of PDFs that can be provided and printed and mailed out. Hopefully that answers your question. They may think you so much.

Yeah, thank you. I want to say all of this. There are people of gotten back on their feet and been able to have a conversation about exiting forbearance and set up a plan or gotten a deferral those are the ones for everything has worked they have no issue, they are fortunate enough to be back on their feet. The way I have seen it is what we do about the people who have not, who still need help, not resume their employment, who have suffered a material impairment is not a total loss of employment and income, who just are still really enough honorable struggling position? I have only see this as hoping to attract you wheel down the population of the people who still out to really try to target the resources there. There has been a lot of effort and if you have been part of that with the industry and advocacy groups that are part of that. There is a campaign not okay that is okay campaign you will see that in various media it really has been designed to try and reach the people who really need the help. That is something that continues along the way because,, those are the ones who are really going to the and is out of this while making sure that others got back on their feet are not caught up in one of the heirs, mistakes or other less than ideal actions noted before when she said there's a distaste happen to us collaboratively and collectively to work together to make sure we minimize those and rectify them when they do occur and try to look forward to making the possibility of them appearing again. The meter now to Leigh . Leigh Phillips.

I am Leigh Phillips I'm CEO of your life. We use technology to help people save money, invest in ourselves and families. Also the vice chair of the C.A.B.. Thank you everyone for the conversation this morning and the staff in these materials. Very illuminating and important. I am curious if any of the staff presented today if you are seeing a general trends in the data or are we tracking data original ways? Is to get resources and help out the people to think about rental assistance and other programs like that being operated as state and local the most. I'm wondering if we are seeing any regional trends in the data that can be shared with state and local government agencies, particularly those with a focus on activities. To learn what is working in communities where doing well and overseeing your complaints or understand what may not be working in communities in which there were complaints or worse results for homeowners, renters or other vulnerable constituents.

If any of the Bureau or C.A.B. members would like to respond as well. To this is part of our release when I don't have an enemy I will definitely get back to you with a answer regarding demographics. Conflicts are being seen.

Leigh mute. Accurately drinking lots of the assignment remember making complaints to side of versus Sue is not making complaints who may not be knowledgeable .

Will do. Thank you. One thing I will jump in here I think that is important, the physics. The mechanics of the three channels of government, agency which is Fannie Mae and Bernie Mac, and nonagency. The mechanics are all different. The application of the cares that is different but we know the marketing services really are talking about class to all generally speaking. The way that FH is a and having coloration with CFPB have done a tremendous job in creating consistency and translating some very clear and uniform rules as to how to proceed with forbearance and exiting forbearance. Agencies are different story. There's nothing centralized there under the mortgage servicing rule. It is not as it is battle. Many entities and nonagency 700 to provide care forbearance but there are other rules they have to abide by whether they are contractual or rules of our shoulders. Also from Leigh's question also seeing where the complaints come from in terms of who owns the loan, was making the decisions asked the lost medication coming out of forbearance I think will be very important. I think of you singled out very clearly. I encourage all mortgage servicers and industry stakeholders to touching on this to be very communicative with the Bureau. Further also to be communicative with those entities in order to troubleshoot and highlight where the heresies of concern are and what people are doing to try to resolve those issues. I will be the way I think to minimize the damage of front so we are not taking out after that people have lost their homes or suffered tremendous not just financial but also other losses that go with housing insecurity and loss. Be sure to Tim Welch . Tim.

Two. Thank you so much, Eric. Really by way of international my name is Tim Welch and I am vice chair of consumer and business banking at U.S. Bank, as we are mortgage servicer. First of all, I want the Bureau: he will the creation of the portal you just described, the interagency of is a tremendous resource so great to see. I wanted to touch on the day that many others have been talking about wages we reach those who forever reason is not a regular dialogue with her servicer because you buy all of mentioned we are trying very hard to make sure that we are in contact with everybody and that we are working individually with each of our to come up with a solution that works for them. As all of you have identified there is a group that for what reasons does not always engage with her servicer. It occurs to be that there may be a role, actually asking a question I don't have a good answer to this question is how do we collectively between the empirical organizations represented on Liz Collin other organization, collectively and connect with services Vitiello water as you can see the increase in the number of people coming off of their forbearance, would there be an opportunity for the Bureau to say, hey servicers here are three lessons we are learning about working with people who have historically been difficult to reach. Or could there be a network organization like Rebecca's that say if you're servicer and these care managers, here are nonprofit working with and how people in finding some success. God again I don't have a solution to this would welcome ongoing dialogue. As we all collectively try and help these populations with historically had difficulty connecting with, is there something collectively to the Bureau or other agencies beyond that of facilitator and conduit to help share information and make connections in these communities, question openness on my part of is to engage in the dialogue in whatever way would be appropriate to thank you very much for great question. Bureau if you went jump in on that one I know there's been a lot of questions around figuring out where there are some gaps over the course of the year. There has been tremendous responsiveness . two times. I know there is a process when it comes to delivering guidance and also silly questions if one of you could jump in and fields to great question that would be appreciated. To this is something that the has been very interested in when published block that talked about vision servicer certificates. Some are using doorknocking, they track who opens spell, they track who opens email using all the channels available I think we would be very interested in working with you Trevor Ault strategies. We talked you servicers all the time about what works and what does not work there is four more piloting of the best practices there. Of course, we have been relying on third parties and all our stakeholder folks to get the word out to groups.

That is very helpful., Mark and thank you, too, for that. For those dialing in the thing about C.A.B. is valuable is you got a diverse group of stakeholders to come to the Bureau is not just academic. Whatever conversations we have in the Bureau, been incredibly responsive to your what we think we can take whatever comes out of those conversations that help you disseminate it to groups, nonprofits, industry so it is a two-way street. That is why has been such a rewarding program. Very happy to see the Bureau supported let's turn to the ready. Lorraine Brown. Okay, I am very Brown with Michigan law program. I wanted to thank the Bureau for the work it has done I think the presentations have been excellent. They show how much had been done complaints, et cetera. Also very appreciative of the temporary mortgage servicing rule which I expect will ease the transition from forbearance to post forbearance. I just wanted to sort of point that Nadine Cohen may. Currently over the months we have seen a few services or communication issues with homeowners in terms of communication around forbearance and also exiting forbearance and those have been some issues we are seeing. There have been a few because of the moratorium. We expect in September that the volume or the massive mess of those complaints would increase . So to echo Nadine, it would be great if there is a centralized place that we could receive, Eric could receive those issues and problems. I know the Bureau is fantastic and I think it is great that you are having this inter-agency portal work with that. I'm wondering if that could be extended. I know we only have another month or so to go concern is typing to do that. I'm wondering with the existing collaboration with the other agencies that and be in place to at least have a single point of addressing the massive concerns that are communication issues between servicers and homeowners to try to resolve those issues effectively. Thank you. Bureau, anyone want to jump into fill the question? Can is similar to the last answer picking is something we will look at you know, we want to see if there's any way we can resolve issues but there would be a huge volume of casework to be done if we opened up the process so there is a staffing issue, training issue, there's lots of logistical issues to address point about a all of us are looking at these companies and real tired. We are tracking and seeing what we can do to spot and plan to do a lot more of it all. Thank you, Mark. Thanks Lorraine.

Let's turn to Nikitra Bailey . To and acted in, everyone. I want to echo the appreciation for the work of the CFPB during this time. I also want to challenge us to not think about this COVID 19 and economic crises as being over. We know that for communities of color who have been hardest hit, quite frankly we are not participating in the recovery. So I think we have to be very cautious as we talk about the state of the economy and what the resources are to really understand that not all communities are sharing in an equitable way the black and Latino and even a planet rate is still much higher than what Ray particularly because the members of our community work in the service sector that is been harvested and has yet to recover when thinking about what is going on all of the efforts that have occurred are great and we still need to be extra vigilant and need to do more to make sure people remain housed it would be a catastrophe quite frankly we end up highlighting members of communities to be, and how as a result of global pandemic and economic crises tickly as the Delta variant and other variants are consuming to have a disproportionate and negative impact on our communities. We definitely need an equitable recovery that means that the hardest hit families, those that we all champion this year as front-line workers and essential workers that they actually remain housed. Went back. one of the things I want to know is what has been done to really encourage servicers now. The servicing rule does not go into effect until the end of the month but what is being done to encourage voluntary complaints right now so we can avoid families from being evicted and from processes from being moved upon. The other point that I want to bring up is we know that the black homeownership rate remains as low as it was in the 19 sixties. We have this ongoing investment from the federal reserve, they are investing about 40 billion a month in agency backed mortgage securities and that has been going on since March of last year. We continue to see black and brown communities lock homeownership opportunity gave her the data we can today see from the CFPB shows our communities are locked up but we don't necessarily see what is being done to really fully enforce our fear letter loss to make sure people are not being excluded for reasons that are discriminatory. It would be good to get an update on what is happening on that front. They, just this kind of campaign that the Bureau is engaging and I went to echo all the remarks about not relying on the Internet as a way to get messages out. Has the Bureau take into consideration some type of influencer campaign where we could learn from the efforts that the ministration has already utilized and proven use influencers that people respect you really champion getting the fascination is the subject Bureau is to foster particularly around engaging faith institutions and faith denominations and sharing its resources on helping people with forbearance and also for hash mark . Thank you. Before I asked the Bureau to respond because those are things that are not just hours and hours per months and years that people have spent pic if you can let the folks styling in know that you your organization and your role as well. Is important here especially

Thanks for the reminder. I have the senior vice president at the national fair housing alignment. It is the only organization that is focusing on housing justice. We work to eliminate housing discrimination and ensure equal opportunity for all Americans.

I went to see if the bear wants to take that. There's a time there and is part of the underlying work in terms of equity and inclusion and addressing the disproportionate impact on black and brown communities. Just by way of signaling after the beer response we're going to turn to last comments from David Eric of the C.A.B.. There are a few people who raised hands in terms of public attendees. Given the agenda we are virtually will not be able to have time. If we select one we will not be able to select all and we will not be able to get to the agenda if you do happen, please if you're able to tell me or to the Bureau and we will collect them and see what we can do in the way of all of apologizes for not able to take's questions at this time but please do something we will make sure to collect them. Bureau, to Nikitra! If you would respond and then to David . . There's a lot to respond to. I will get started. We are going to be tracking what servicers do very closely. They have to follow all the existence rules as well as agency guidance. We are looking at all our resources to make sure folks are not rushing the foreclosure process. We are going to be consuming to put out it and got two black and brown communities to see what the fallout is on the pandemic especially on outcomes as we track this to the file. The better point is something that he was fairly focused on picnic UM rule is wanted to expand the box and ensure that lots of us have access to credit think where can be tracking back into 2020 on a weekend retail homeownership in these communities Winchendon so we can get back you on some of the other points. We are almost at. Is a start I guess. Okay. Thank you, Nikitra. What Nikitra just brought in the sense been delved into as deeply as can be. It is something that not just the Bureau for all stakeholders need to pay attention to and resolve that we do not let what is a moment in time flee away but we can actually make real changes that last perk Nikitra, thank you for those questions. Let me turn to David Eric and we will have time for a short break before our next session. David, if you would give the less, we would appreciate it. [ Captioners transitioning ]I'm looking at the list and not sure if he's logged in. We will give him 20 more seconds if not, we will call time.

You mean David Eric?

I did see him a few minutes ago. Maybe he got disconnected. Let's give him 20 seconds.

Sounds good. I apologize for the delay. Will give David a chance to get back on otherwise we will move ahead. Especially for those who know David he's very valuable to listen to what he has to say.

It seems for some reason the Internet is not working for him. Let's continue. We can always take his questions after the meeting.

I agree.

Can you hear me now? I had been muted because I wasn't on the penniless trek. As long as you can Ximino keep my comments short because I know we are aftertime. My apologies to keep everyone waiting. Want to acknowledge the CFPB for the incredible work they are doing with regards to the rental assistant find there. this is an incredible response to the pending eviction crisis that our consumers in the United states are facing. I want to callout attention to another program the CFPB is leading which is a text [Indiscernible] on low income renters and landlords. The CFPB has been a leader in using technology to solve consumer protection issues and this is a great example of that. I wanted to bring that to everyone's attention. That is a program that launched on August 18th and will continue through December. If you need or are interested in more information, you can find that on the CPB website.

The emergency rental assistance program is something that people need to know about and access. Back to Nikitra's point, renters are really -- they are facing even different kinds of struggles and homeowners because of the dynamics. Back to my point earlier at the beginning about amplifying the message. People to the CFPB website. This is something tangible for people. Not just large corporations. Not just the economy. This hits everyone's home. David, thank you for that. With that, we are at time. Thank you for letting us go a few minutes over. We will take a 15 minute break and reconvene at 2:45 for discussion on HUMDA. Thank you Bureau for the conversation. It's a small window into the work the Bureau is doing. I call it an agency at work. There's a lot going on that hits the day-to-day for all of us. We appreciate your time and attention and see you back at 2:45. Thank you. Eastern.

[On a 15 minute break. Resuming at 2:45 Resuming at 2:45 p.m. EST]

[Captioner on stand by]

We are at time. 2:46 by Mike Clark. Welcome back, everyone. Thanks if you participated or attended the first session. We are at our second session and shift to the next item on HUMDA with a conversation about 2020 mortgage lending data. As a reminder, you should have received these presentations through email and for those in attendance you can find these on consumer finance.gov. For this session, will be joined by Feng Liu. Not to waste anymore time, go ahead and take it away Feng Liu.

That's advanced to the next slides. The standard disclaimer applies. HMDA is a data collection, reporting and closure statue that was enacted in 1975. HMDA data are used in assistance in determining whether financial institution's and serving the house needs of the local communities. Facilitating public entities distribution of funds to local communities to attract private investments and help identify possible discriminatory lending patterns. The 2020 HMDA data are the third year of data that incorporated amendments made by HMDA by the Dodd Frank Wall Street Reform and consumer protection act of 2010 and 25 -- 2015 HMDA rule. On June 17th, 2021, the Bureau published a static application level 2020 HMDA data file that consolidated data from individual reports. The data file is modified to protect applicants. The Dodd Frank act amended HMDA to require the reporting of 30 new data is. The 2015 HMDA rule also amended regulations C to include 14 additional data points pursuits to its discretionary authority under the the FA. Refi several pre-existing data points in change coverage requirements. Starting with the data collected in 2018 reporting 20 time -- 2019, the FDA -- Asian American and Pacific islanders in the mortgage market in July 2021. Are planning the release of another annual report based on the 2020 HMDA data . Most of it will be based on that. Some highlights. The number of reporters and volumes. 4472 financial institutes reported at least one close end record in 2020. Down by 18.8 % from 5505 financial institutions reported in 2019. The number of close-end originations in 2020 increased by 65.2 % from 8.3 million in 2019 to 13.6 million in 2020. Most of the increase was driven by an increase in the number of refinance loans. This chart shows the number of applications for single-family loans in the past few years. The total number of single-family applications was 10.1 and in 2019 12.4 and 20 2020.3. This chart gives you more detail about the trends. Number of originations. Beginning in 2018 to 2020. From purchase, non-cash out refinance and cash out refinance. Purchase volume would follow a [Indiscernible]. If you look at the green line the home purchase through April and May [Indiscernible]. Of the housing market entered the summer sales season we saw a dip in home purchase volume in April and May of last year. That was the most likely due to COVID and the pandemic in the nationwide shutdown. In June of last year the home purchase volume recovered and stayed [Indiscernible] compared to the year in the past for the second half of the year. On the refi particularly non-cash out refi a dip in the last quarter 2019. The refinance boom in 2020 very much like refinance boom back in the second quarter. It reached over 600,000 loans per month for four quarters in a row in the last year. The cash out refi also increased by overshadowed by non-cash out refi. This chart shows number of home purchase loan originations by race and ethnic city. You can C for the second half of 2020 the total volume origination was up in all four major race ethnicities compared to the year before. Let's see some detail and move on to the next chart. This is similar to the last chart that we dropped the rights and give us access to show the increase on purchase volume for Asian, black and Hispanic white for the second half of the year. You will see a decline in the second half of the year. This is much easier to see. The minority share of Hispanic and white all come from the larger share from a year ago. I would say that's positive news. Let's get to the refinance loan origination by race and ethnicity. You can clearly see the refinance are you increase for all four groups but most increased among Asians. In the nest -- next chart you will see more detail. Asian have the most significant change in the increase of the refi loan. The next two charts for share. This one shows the relative decline. Next chart with more detail. That's even more clear. The increase of Asian share. Let's look at the backdrop of the volume increase. Relative speaking out like and Hispanic are [Indiscernible]. In the interest of time, we can skip this slide. This is similar information of sharing. Characteristics of loans by race and ethnicity. Let's look at median loan amount. They are separated at the home purchase or refinance. Home purchase are the green bars and refinance are the black bars. Asians have the largest loan amount compared to all groups other black or Hispanic were lower. In terms of median credit score so again by home purchase. The patient had higher credit score for home purchase and higher for refinance. In contrast black and Hispanic bars continue to have low median credit score then Asians. Meeting interest rate. Of all the interest rate was lower in 2020 than the previous year. You can see the amount of home purchase with the green bars and refinance with the dark bar. Medium interest rate about 3 %. Variation allows the interest rate which is smaller on the black bars. Except for Asian. Asian have the loudest meeting interest rate. Median toll loan costs. This captures the charge by lender as well charges by [Indiscernible]. Black and Hispanic had a higher median total loan cost than Asian and white. Next chart. This chart is about [Indiscernible]. This is taken from the AAPI report. In this chart showing 2020 about 80 % of application by the black applicants. This is another chart from the AAPI report. This is broken down a little bit more than the last graph. Looking at the application outcomes by AAPI subgroups. As we mentioned earlier the AAPI group overall had a rate of 10 %. If we look at the subgroup, you can see some of the sub AAPI group have a similar level and higher than Hispanic applicants. For the Hawaiian it's about 12 %. It really compares the last chart. This added more detail. With that, I end the presentation in hand this back to Eric for a discussion.

Thank you. I want to kick off this session and repeat for a moment what HMDA and the purposes. And what Nikitra said in the last discussion. HMDA data is used to assist in determining whether financial institutions are serving the housing needs of the local communities , facilitating public entities description of funds to local communities, to attract private investment and help identify possible disc amatory lending patterns. I want to focus on that last one to start. If you think about the national dialogue and the impact of COVID on housing markets and concerns about affordability and supply issues we are seeing in who's being shut out and the disproportionate impact on certain committees particularly black and brown communities. These are among the most important topics facing the nation today and if we don't get them right or find solutions, we risk having another generation loss. I want to tie it back to the first speaker which is Nikitra Bailey and the comments she made in the first session. Let me kick the diet off with Nikitra if you wouldn't mind taking the microphone. Thank you.

Thank you, Eric. Let me thank the Bureau for utilizing HMDA to share the information about disaggregating across race and ethnicity particularly for the Asian American community. It's exciting to see data for the AAPI community. This is something many of us have low champions so we are grateful for the bureaus work in doing that. I want to put this information in context. We know we have a history of federal policies benefiting some Americans and not all Americans. When we look at HMDA data and do analyses by credit score, we have to remember credit score bakes in discrimination in our lending markets so that's something we have called for more attention to. Paying your mortgage is really [Indiscernible] to paying a monthly mortgage. For many people that rental payment history is not looked at. It's disqualifying for many families. We know during the great recession many black and brown consumers were scared into dangerous and risky loans with a qualified for credit on safer and more affordable terms. The got pushed out of the mortgage market. We know communities lost $1 trillion but they have yet to recover. Post great recession extra caution and overlays has denied the market a number of borrows it could have well served. The urban Institute estimates about 1 million loans a year could have been made. We know there could have been an additional 770,000 black borrowers in particular are not in the marketplace. I say that to give a background as to what this data really shows for us. I have some questions for the Bureau. The first one is, is there any consideration being given to create a research program so others can get in and look at the data and tell their analyses. Also, is there consideration for research into racial disparities and mortgage approvals with control of credit scoring. Is there any consideration being given to reinstating the requirements for lenders to submit HMDA data on a quarterly basis so we can have a real-time understanding about what's happening on the mortgage markets. I will say again. The fed is investing monthly $40 billion. Most of that support is not in a fitting low to moderate income families and families of color. Need to see more equitable opportunities across the mortgage Specturm.

Great. As I said, that can take us not just days, weeks, months and years. That gets to the heart of what you do day today and our colleagues across the Specturm focus on. I want to turn it over to the Bureau at commentary afterwards as a few members will wait and. Bureau, if you would like to respond to some of Nikitra questions. Not everyone gets to read everything that people put out to the extent they have an open access to findings that gets disseminated that could be helpful. Who would like to respond?

The first question. I'm anti-Communist and not a lawyer. It's hard to get into the legal. [Indiscernible]. We are working diligently on the data for the past year past two years. We are in the process of taking a deeper dive that you care about. Stay tuned.

Last question about quarterly submissions.

Quarterly submission was required for large lender with large volume over 60,000. That was suspended last year due to the pandemic. It is set to resume in 2021. Working on ways for information and statistics. The most relevant and timely information.

Thank you. One quick thing before we move on. Again, I want to point to the benefit of the attendees the work the Bureau is doing. There are things in terms of this question about creating more equitable -- let me take out more. Equitable and inclusive market whether it's larger financial markets, consumer financial markets. It shouldn't matter who you are. It should matter if you can sustain the debt. That doesn't go for any borrow in particular but also to the parts of our system that have built-in biases and legacy and discrimination. When dealing with these issues and there are multiple, there are things that can be done now. There are things that need much deeper surgery. There could be things that require a generation to again. If you change schools and you increase in equalized school systems you have students who will graduate college until 20 years down the road. There are a range of things we must do but all go to the issues at hand when it comes to solving the problem of racial disparities and other equities -- and equities in our system. I can tell folks that are not aware the Bureau is very hard at work as many of the organizations that represent the C.A.B. and stakeholders. I want to mention , I am a senior adviser to the [Indiscernible] Institute. Nikitra, thank you. Return to Rebecca for our next comment.

Thank you, Eric. Thank you for the HMDA recitation. Without the data we don't have a good roadmap. We don't really understand the problems even though we think we do. I recognize in the mortgage market the HMDA data does help tell the story but it doesn't tell the whole story around the consumer. I appreciate the attention to detail around that. I want to start with pre-COVID and the challenges consumers had even before COVID started. Which were 60 million Americans today highly concentrated in the markets we are talking about. Black and brown communities in particular who have a lot of saving. Cannot afford a $400 emergency. Fast forward post COVID. We track a lot of data ourselves nationally across credit counseling those are the low to moderate income. That statistics are unbelievably stark. The COVID -- post COVID environment saw and increase in a 31 % nonwhite consumers coming for help and credit counseling. 27 % increase in Hispanic and less than 50 % medium income for consumers up 35 %. That continues to the second quarter of 2021. For sure COVID has a long-lasting and continuous impact on families across our country especially those in the low to moderate income and people of color communities. A few points and then a question. One is, one would look at the consumers for mortgage activity, we see what's happening in mortgages and the disparity. That's also happening across other banking products. Whether that's credit cards, other unsecured loans or other access to credit as Nikitra was talking about. It's an interesting opportunity to take another look at this type of the HMDA data across more markets. I know there's market research that happens at the CFPB. What can be done across the other markets to understand the brutal impact across these consumers. Not only are they not able to qualify for mortgage loan and begin that wealth building process but they struggle day to day to make ends meet. I've heard the Bureau and other organizations talk about overdraft fees and what I call port taxes that continue to keep people down. I think it's important to bring more clarity to these products and their impact on consumers and consumer segments. That's one question. What can be done to bring HMDA data across more banking products and understand the impacts. The second question is education. The Bureau has done a terrific job and want to congratulate them for their renter and landlord work they've done on education. Education is really the first step but can't be dealt with other tools. Tools to put education into action. As the Bureau, are they thinking about an action support to go along with the education and what may that be to help people with a trusted adviser start to build their plan, their roadmap to get more credit and more credit healthy. Thank you.

Great questions. Feng, if you can wait and again. I want to remind folks he's from the front lines as CEO of an FCC. That would be great. I will turn it over to the Bureau for response. I think you are unmute, Feng.

We have a survey, making ends meet survey. To address the same type of question you raise. How consumers are handling their basic needs and financial situation. On the larger question besides HMDA whether we can have HMDA information for other financial products, that is a difficult question to answer. We have HMDA because that was in the law . There's laws in place to get information like credit card application, AutoZone application. We have resources that can help us to dive into those other markets in addition to mortgages. [Indiscernible]. I'm not an expert on that but there's a lot of information online that is very helpful for the consumer.

Thank you. Rebecca you talk about other products. When you get down to it talking about initial empowerment at C the director was on a panel with me and John hope said financial literacy is a civil rights issue of our time. I buy into that. Without it we can only go so far if we don't create financial capability across the board. Part of that is if you have $1.00 in your pocket it doesn't know if it will pay for your mortgage loan, credit card, auto loan and if your debts exceed the dollars you have you have to make a choice. The impact of the choices you make could determine what happens next in your life. Whether you find yourself on the street. Whether you find yourself hungry or access healthcare. What comes out is a survey and what you and your colleagues counsel people through. It's another example how the Bureau touches on people's lives as a primary regulator for these consumer products which is another reason why these convening's and the work the Bureau does is so important. I want to throw that in and turn it over to Nikitra with some follow-up comments.

I want to agree that it's important people have a good understanding of the financial services sector but be careful we are not acknowledging the reality that public policies on who will win and be successful. We have a history of discrimination particularly in the housing sector that has advantage some Americans while disadvantaging many black and brown communities. I want to be careful as we are talking what solutions are in terms of addressing the disparities we continue to see that we understand they need to be policy driven and we need to see what I like to call equity center approaches to fixing some of the challenges that are prevalent in our marketplace. I want to ask a question for the CFPB. Just again about our nations [Indiscernible] laws. We typically don't see enforcement of these tools. They are wonderful tools that can protect consumers but also help the economy overall. There've been reports that show discrimination over all and discrimination included in housing close that economy $16 trillion of black Americans over the past 20 years and if we take steps to address this discrimination we can grow the GDP about 1 trillion a year. We can also create billions and local revenues through text revenues and create thousands of jobs. Has the Bureau -- is there an update on the fair lending enforcement specifically what is being done -- the tools that [Indiscernible] permit for the use of special private credit programs. For lenders to design programs for consumers they are not reaching. I would like to see if there's any update related to that as we talk about the mortgage market activity.

Thank you, Nikitra. Any one from the Bureau to answer that?

Discrimination has a cost. In terms of the bureaus enforcement, I am an economist but also worked extensively in the fair lending side. [Indiscernible] back to HMDA itself. [Indiscernible].

Thank you. I want to turn next to our vice chair.

Thank you, Eric and everyone for the important conversation. I wanted to share some information from our save a life members. Half 1 million members across the country. We've been engaging in early-stage work to understand more from their perspectives what they see as the largest barriers to economic and financial stability. And surprisingly number one is not having enough income. That's the number one thing we see. Number two on the list remains not having a down payment to afford to buy a home. That was number two priority. Third on that list was intergenerational wealth. The ability to inherit wealth or leave wealth to your children. Those two things are interesting and you take them in combination. The understanding for many people whose major role in building financial health and security but also understanding and recognizing the intergenerational elements that come along with having a major asset like that. I wanted to share that and give it back to my fellow members. Also, thinking about the road ahead. It's great to see the information where we are today. I'm curious if any of the CFPB staff has comment on data sharing potentially with other federal agencies or those who run home ownership programs and is there a way we can use this data collaboratively to track our progress towards perhaps shared goals.

Thank you. Feng, can you speak to that?

On the HMDA data, HMDA is reported to certain financial regulators. That is the CFPB, OCC, FDIC and also HUD. Data sharing [Indiscernible].

One of the things and I will call on Nadine next. One think that would be interesting is to look at other internal data sources if possible. Not to put Fannie and Freddie on the spot but they have the largest part of the market. HAB being the Fannie Freddie regulator. Looking at the HMDA data and the dynamics of black and brown homeownership and where we are after the last decade. Understanding coming out the crisis black and brown homeownership went down. We know that is related. Parts of it had to do with supply/demand and increasing lack of affordability based on some economic dynamics. There's other dynamics embedded. Discriminatory elements to things like credit scores. At scores. At least the ones that are in use. Not intentionally Not intentionally I think. They are a product of the way we way we look at income assets, employment and credit. Not to belabor the point but there's a lot of elements here. HMDA data is one of the ways for us to but there's a lot of elements here. HMDA data is one of the ways for us to look into on what's happening in the market than try to do some investigation to what the root causes are so we can resolve them. Let me stop there. Data sharing even if it has to be under cover of non-disclosure agreement or confidentiality agreement with private sources would be valuable to the Bureau. The more data and more meaningful data the better. Let me turn to Nadine next.

Thank you, Eric. Of the managing attorney at the consumer rights unit at greater Boston legal services. We see a lot of the effects of all this data on the ground. One of the things that makes me the most concern is this data has not changed a whole lot in many, many years. In the greater Boston area and in Boston the rate of black homeownership has not increased at all over the years. I think the data is really important. We need to know it's. I want to emphasize the enforcement part of this. Taking this data and actually bringing some actions against those who do use different standards for approvals for people of color. That's one part. The other is whether the Bureau has either the resources or the inclination to focus on specific geographic areas. We have our data in the aggregate and I think looking at specific markets and seeing what's going on there and in fact bringing some enforcement actions on those levels will really send a message and maybe that's the weight we change things or else year after year, decade after decade, we will be seeing the same data. In 1992 the Federal Reserve Bank of Boston found people of color were 60 % more likely to be denied mortgages than similarly situated whites controlling for income and credit. I'm not sure we see a whole lot different in these years later. I would really urge the Bureau to be even more aggressive. I have to say it is a world of difference seeing the Bureau be as proactive as you are in these months since January. I really appreciate it all. Thank you.

It goes back to that agency at work. I think that's appropriate. One quick think before -- I know we will call on Rebecca in a moment. The agency -- sorry the Bureau in the office of innovation sponsored text sprints. If you don't know what they are, look them up. It's a way people from different areas to collaborate on new solutions leveraging technology. David, I hope I got that definition right. The Bureau's office of innovation ran a text sprints As a reminder, [ Indiscernible ] Thank you once again for continuing to hold. We will continue to the meeting in just a few minutes. Thank you. [ Captioners transitioning ]

[Captioner on stand by]

Eric, you are on mute.

Sorry about that. It is 4:00 p.m. Eastern. It's 1:00 p.m. Pacific. Will go to to last topic. An important one across the country. Student lending session. Panelist should have the materials and others can access the materials on consumer finance.gov we are joined by pure subject matter experts from the office of markets and consumer education. The participants, Robert Cameron, private education or loan Albans men. Patricia from the office of market and Kristin from the office of consumer education. We will start the conversation with Bob and Bob take it away.

Thank you. I'm at the consumer protection Bureau. This afternoon section on student lending come out with the part with the highlights of my 2020 report and be followed by Pat and Kristin. I will get started. Will go to the disclaimer. This presentation is being made by a consumer financial protection Bureau and by my own. And that will apply to all presenters today. Here's our agenda. Will look at complaints, COVID-19, social economic and racial gaps and recommendations provided to policymakers in the report. Next slide. Complaints. One of the important things to note is the CFBP has received a record number of complaints during the pandemic. 1.6 % of those have been related to student violence. Student loans make up 11 % of household debt second to mortgages. If you look at the divider, between private and federal student loans complaints received, received 20 % that were for private loans. Private education loans only make up 8 % of the market. Next slide. Over all, complaints have been trending down. Been trending down since 2017 but I think during the pandemic a lot of that has been related to C.A.R.E.S. Act relief which covers 92 % of the market for federal student loans. One of the notable things is even as a number of complaints are trending down the number and percentage of distribution of complaints received has trended up for problems with credit report credit score. All complaints regarding federal student loan origination are forwarded to the Department of Education. These are the organization with the most complaints. For federal student loans that [Indiscernible]. For private it's Nephi and. It's important to normalize some of the data. The CFBP is not willing to take a position to normalize that data. That is some the stuff I've been looking at. I looked at complaints over 10,000 borrowers. That includes duplicate planes. If you break it out down AES/PHEAA had [Indiscernible]. Markets -- Mark will go into more detail on the student debt relief that's been offered. Will go to the complaints. These include complaints that mention COVID-19, coronavirus and related terms. Please note the time. Is March first, 2022 August 31st, 2020. The federal student complaints and the most common issue is dealing with your lender or servicer. One of the most notable thing there was a confusion with are our's and the difference between federally held loans and commercially held loans. If it's federally held they are subject to C.A.R.E.S. Act relief and if they are not they are subject to the donor's guidelines. Next slide. We will hit some social economic and racial gaps. Gaps and outcomes based on race or social economic status. Our many risks. This presentation will look at two and that's degree attainment and [Indiscernible] and secondary education. This flight looks at the attainment rates after four and six years. Degree attainment is a significant factor that impacts student loan debt by increasing the earning capacity many student loan borrowers. Increasing capacity has the ability not to repay. The students take out loans but graduate are three times more likely to default than borrowers that complete at the same time. It must be noted the degree attainment is not -- let me emphasize that is not the several bulletin addressing student loan debt. Financial hardship or eliminating delinquency is not a silver bullet for default. Not populations received the same benefit. Even the highest degree attainment rates 53 % for four years and 75 % for six years begs the question whether this is considered sufficient to strive for whether we can do better. Policy proposals likely should not be designed to achieve the current highest attainment rates across all populations but rather consider how to exceed them across all populations. Next slide. This looks at the degree attainment and delinquency. That that is for the quarter ending December 31st, 2019. I think that's more useful than subsequent data because of the C.A.R.E.S. Act relief. It also provides a snapshot and if everything else remains the same when we reenter repayment we will look at this again. Now is the time to make changes and adjustments in policy decisions to keep this from happening again. This looks at enrollment by social economic quintile. This was a percentage of all 2009, ninth graders. What this means is there's longitudinal study that started in 2009 for ninth graders that look at their social economic status and consider the graduate three years later in 2012 and saw who enrolled in college four years after that. What we see is clearly the highest fifth they have the highest enrollment. Students from low-income families are less likely to enroll and complete college even when academic ability is taken into consideration. We know there are other factors in play. Next slide. I provided a lot of recommendations this year. The first set of recommendations is really to C.A.R.E.S. Act relief. Consistent treatment for all federal loans whether it's commercially held or federally held. That was a big source of confusion for borrowers. The second recommendation is to extend belief. That did happen and it's been extended now to January 31st, 2022. The next C.A.R.E.S. Act relief was use a phased approach for the transition to repayment. This is very important. In the student loan environment that's geared to importing new borrowers every year students graduate. When we transition repayment will be over 40 million bars transitioning to repayment. 400,000 borrowers for the first time will be making payments and three cohorts of six months each of students that graduate coming out of grades to the repayment. I think this is the way to go. Also simplifying existing loan forgiveness, cancellation, discharge and repayment options. I noted four RDI programs. 10 different loan forgiveness programs. Part of the challenge with the complexity is when it's accessed we value access to education. We should also have access to what people are entitled for with her student loans. For income driven repayment of public service loan forgiveness, recommend share information between Department of Education, DOD, OPM and areas for applications and recertification's. Automation does two things. Takes the burden of the borrower and simplifies what has to happen on the back end and eliminates possibility for human error. Bankruptcy. Recommend revisit the undue hardship standard. That has become something that it wasn't intended to do. If that does get revisited it's important to keep in mind a few things. We want to make sure borrowers get a clean start. You don't get a clean start what's the point? Number two, we would do it in a way we know we will access for future generations of borrowers. I recommend IDR enrollment be required. Also as far as I.D. are, they consider automatically enrolling borrowers into an idea repayment plan at a certain level of delinquency. Create and formalize approaches to address social economic and racial gaps. There is a lot lot of good information. There's a lot of subject matter expertise that resides in different areas. The more we work to bring those together, the more success we will have. Also there are successful efforts to reduce gaps in degree attainment that are ongoing. Whether it's successful we should try to reinforce them. It won't be an exact from one institution to another pickets is so much variety. I think there are key principles that could be applied. Finally ran for successful administrative, civil and criminal actions against that relief scams. Criminal is the most effective and provide the biggest deterrent. With that, I will turn it over to Kristin and Pat. Thank you, Bob.

This is Pat. Just checking to make sure everyone can hear me.

We can't hear you.

With regard to the student lending update, we can advance through the boilerplate slides since it's applied to us. Skip ahead to slide five. Right now -- as of March of this year the total amount of outstanding student loan balances whether they are borrowers who have yet to go into repayment, is in repayment, borrowers who have defaulted was 1.728 trillion dollars. This amount is still higher than it was the previous year despite the pandemic which did put a dampening effect on college enrollment and did reduce the demand for loans. Even though there was 0 % interest accruing on most of that portfolio out there for now over a year, there still was an increase in overall borrowing around 3 % and that reflects the fact that every year millions of students go to college and the only way for a large percentage of those students to access a higher education is to rely on federal financial aid including the federal student loan program. Every year more loans book on" we've seen this year was more loans come on fewer than previous years but no loans leaving the system. It continues to grow. Next slide. Bob has told you about the COVID safety net that was put in place for most borrowers with student loans at the outset of the pandemic. The C.A.R.E.S. Act put in place a lot of protection for more than 40 million borrowers. 0 % interest accrual if the government held the loan. The government owns 83 % of that 1.728 trillion. A monthly suspension payment suspension for those hours in repayment. That suspension preserved key benefits. Bo seeking for public forgiveness. First limiting the time in repayment by taking an income driven repayment plan which has a maximum number of payments whether or not you successfully pay off the entire balance. People were held harmless with that. The government suspended involuntary collection efforts on defaulted student loans and their are 8 million defaulted student bone bars that the government had been collecting on. That means no administrative wage garnishment. No Treasury upset of your text refund or Social Security benefit. On the net federally owned side and that 70 % of loans is pretty much divided among guaranteed federal loans in private hands and private student loans that have no federal backing. Disaster forbearance was available for those loans at the outset of the forbearance. It's still available in 90 day increments for the federal guaranteed loans that are out there and private lenders after a forbearance in increments of 30 to 60 to 90 days for those privately held private student loans. With regard to those forbearance rates, they hit historic highs in the second quarter of last year but have dropped down to pre-pandemic levels. Because of the safety net, the scope of the safety net and depth -- next slide -- we have seen a drop in the leg with the rates for student loans which after the recession for a long time constantly had the highest rates of serious delinquency. Those loans more than 90 days delinquent. Among the various types of credit. However, because of the safety net because of the safety net for the federal portfolio, the serious delinquency rate is now below half a percentage point whether you measured that dollar amount outstanding work the number of borrowers. This is a set of data looks at borrowers who were in repayment but had not gotten to the default stage. A key reason why we see this rate plunge is that the borrowers who are in the payment pause which got extended just last Friday. Those loans in an administrative forbearance with their servicer. They are being reported to the credit bureau as if they are in repayment and current. None of the borrowers who are in the government's portfolio in repayment can be considered in a delinquent status right now. Next slide. We have 30 plus million borrowers who will be asked to make payments starting in February. I think everyone breathed a collective sigh of relief when the announcement came out that the pause was going to be extended through January of next year because we were getting fairly close to the time communications would have to start going out to the bars to let them know they had to go into repayment. There's been concern because of the pandemic continuing and worsening because of the variance, people were not ready to go back. Among these 30 million folks we've got 25 million or so who are basically in repayment status at the start and we've got four or 5 million borrowers coming out of school and going into a long Grace period and will go into repayment in February as well. According to the current schedule. These will be imported into the repayment process. They have to pick a payment plan. It's a little more complicated and time-consuming for this group and they are not -- they are new to paint the student loans. 9 million borrowers in income driven repayment plans or were at the start of the pandemic and the suspension. That's an annual recertification process to maintain access to a low payment based on their salary. That process can easily take a month. There's concern about all of this huge group of borrowers moving into repayment in one go. A huge number needing extra processing and the demands on the servicing system. There are concerns about the impact on the consumer credit markets. Student loans account for 2/5 of all nonmortgage debt outstanding is a chart on the slide shows. The question is. Will borrowers still be able to manage the student loan payments which will average several hundred dollars in addition to their other credit payments once the suspension ends and the government has said it will be the final suspension. It ends in January of next year. In addition to orchestrating the transition into repayment the department of education is also managing a transition of the servicing system. It has been trying to onboard a new system. The NextGen platform but part of that is under review at the picture Mitt has not been finished. Two services. One of the biggest servicer of the government and a smaller one in July announced they would not be seeking to renew their contract that end in December so of the servicing volume will go down from eight services to six. Those remaining contractors, their contracts end in December. The government is looking to establish bridge contract last up to two years to create a transition period from the current environment to what they want to be the more modern completely overhauled student loan servicing environment. What is critical is that at the time that borrowers will be going back into repayment while the government is planning the end of the payment pause, the government also has two orchestrate the transition transfer of more than 10 million accounts to new servicers. That also will put stress on the servicing system. The return to be repayment, transition of the servicing contract these are areas that are front and center for the markets office at the Bureau to monitor and we are constantly looking at what's going on. One more quick note. Next slide. I think all of you know that the LIBOR index that is used is going away. We have begun to see the transition to a new index by private student loan lenders. A little over half the private student portfolio is a variable rate loans. Most would be tied to LIBOR. Those few lenders are beginning to make the switch to a new index. The ones we have seen have selected the secured overnight financing rate that is published by the reserve Bank of New York. We've seen the switch for new loans so new private loans being issued this fall and this is the busy season for the private student loan the street when kids start college in the fall making the switch to SOFR and sometime next year we will see lenders switch the existing loans that are already in place based on LIBOR to a new index SOFR. This is a big interest to the Bureau because we are watching for the impact on consumers. With that, I will hand it over to Kristin. Thank you.

Thank you, Pat. I will give a brief overview of some of our consumer education efforts to help student loan borrowers navigate the pandemic relief options. At the onset of the pandemic, the Bureau shifted to engage directly with student loan first to hear about more of their experiences and their challenges navigating the pandemic. We use those perspectives to inform our consumer education materials. We created a webpage with commonly asked questions and answers along with a series of webinars and social media post to inform consumers about the rights and responsibilities. We hosted roundtables and meetings to disseminate this information to the hands of people who need them most. As mentioned earlier, the cares act and subsequent actions extend the student loan forbearance period until January of next year. As those benefits expire next year there will be another significant transition for student loan borrowers. We are going to coordinate with the Department of Education to engage consumers and stakeholders so we can continue to provide education as well as anticipate the challenges of this upcoming transition. Right now as borrowers begin to receive communications about the continued forbearance period, there could be an opening for skimmers to pray on the financially vulnerable with the pandemic. Many people are struggling financially and are looking for additional financial relief. This creates the perfect breeding ground for skimmers to take advantage of people. With the continually changing information related to student loans, coupled with news stories of potential loan forgiveness, this allows skimmers to feed into the uncertainty of the situation consumers vulnerability. As we enter this period, the Bureau will help consumers protect their finances from scammers through digital communication, webinars and other outlets. The Bureau has created information to help identify the early warning signs of potential scammers and the action steps they can take if they have been if it of a scammer. This is to prevent any further financial damage. We are asking our stakeholders and those who work with student loan borrowers to help educate and engage borrowers so they can be armed with the resources to prevent falling victim to a scammer. In the discussion guide we provided you today, it was prepared before the announcement of the student loan forbearance extension. The discussion questions remain valid and I look forward to the discussion today. Thank you and I will turn it over to the chair to facilitate the next portion of the agenda. Thank you.

Great. Thank you, Kristin, Pat and Bob. It's such an important topic and it's been out there in the press every day as mortgage and other issues. We know student loans have hit close to home given how important product the student loan is in terms of not just now but what it will mean for people going forward. Incredibly important topic. I will turn it over to Rebecca to start. I will go on record as I typically do when someone mentions scammers to say, it takes and I said this before. It takes a special kind of malice to prey upon and scam people during a period of time like this and whether it's the Bureau, state Attorney General, other agencies or departments with enforcement power, I have not met a civil fine too large or prison sentence too long for a scammer especially in the current environment. I cannot stress too strongly how severe these penalties must be. I would echo what Bob said. I feel those penalties will not only help deter but also punish both which my own opinion are appropriate. I will stop there. Rebecca?

Thank you, Erika.

I want to focus on the cost burden of student loan debt. As we counsel people across the United States, there are two forms of that that are increasing. What is medical debt I know we are not talking about the did they that's causing an alarming amount of bankruptcies. It's the number one reason for bankruptcy today. The second is student loan debt. And 1.7 trillion the cost burden on our younger generation is enormous. It's not just the younger generation but concentrated as we see. It's also in parents and grandparents. And causing a lot of distress. From a housing and mortgage perspective which we have been talking about a lot today, it puts housing and mortgage on the reach of a whole generation potentially that is coming up. In fact, we did a study along single women head of household and on average of those who held student loan debt were in that $56,000 regardless of whether they graduated or did not graduate. Three questions I really have for consideration. One, discussions around disclosures. Disclosures of 18-year-olds. They are counsel by high school guidance counselors. Is it enough? Are disclosures enough? Are they mature enough with life to really understand what potentially may hit them in four or six years. Second one. What are the colleges required to do? They are selling, there's a lot of marketing and promises and distress. With college endowments at record levels should colleges also be required to have some responsibility around the student loan debt and the successful payback of those. That there one, I will hit because it's close to home. Ability to repay based on income levels. Servicing modifications are not simple in student loans. We help people every day. Now there's less coming to us but when this payment start back up people will be looking to understand how to modify based on the gap employment or inability able to repay. I think that's a big concern. Historically, in the last five years, we have not from a nonprofit perspective been able to help people with student loan debt. The servicers are the only place where people can go effectively to help with their student loan modifications. I would like to see that reconsidered. Those are my three questions. Thank you.

Great, thank you, Rebecca. Any comments or responses?

Sometimes with the three of us it's hard to know who's going first. As far as disclosures and is it enough, if you answer a question that someone didn't ask they don't remember the answer. If you are able to pique their interest and get that information at the right time they remember it. The question is how do you get the 18-year-olds to want an answer to that. They don't even know what they are looking at. At the same time, there's a lot of benefit if someone set that with the student and said here's what Camilo the that and this is how it will impact your monthly payments. We've seen literature that indicates that limits borrowing. Your last two questions I will defer to Pat and Chris. Part of that is who shares the risk and the burden of the cost of loading -- student loan debt. Schools need to have more skin in the name and there has to be some mechanism of accountability. We don't want to get down the road where something IDR that helps them not struggle, we don't want that to be an insurance program for educational programs that aren't working. [Captioners Transitioning]Is now mandated in some other state Nebraska think is one where this will give the students an update on how much they owe their monthly payment is based on the bar before they sign on the dotted line to accept their aid package for the next year which typically for most students will include a federal student loan. So, there's some indication as referenced Bowers will select to reduce the debt have to take the full amount is, get back by last later they need it. There seems to be some indication that helps both understand the burden they are taking on whether or not they need to take much debt to pay for college, step ON payment out into the work world. This is still do and I think there's going to be a fair amount of research trying to sort out just how valuable this type of notice it is. This is one area where we see a student good information about how much their debt load actually is. I think one of the challenges of student lending for the student loan customers you do not know what club you get over a number of years for some students it takes about five or six years to get the degree and maybe even a drop out and come back. It is not an easy system for them to keep track of how much they all and how those loan amounts grow over time they are praying entrance and subsidized loans are pretty much always accruing interest accepted. Call it protection in place. It is a complicated beast and, as it was pointed out, these are 18-year-olds,, this is their first big product begins harbor much older adults to understand what they are signing into BM mystifying for the younger they have no background in the responsibility of dad. This is something that we definitely look at the Bureau and we can share information that we turn up work. Thanks for that response.

A follow-up? Great, thank you. Just a quick thing before we go to our next member, our next 60 goes back to financial literacy is we may tell us to know how much they are going about to put the context of what might look like and how much they will have to on a pretax basis and how much money on after task basis and how much their after-tax payment will take up to take next steps so that when they are in college they will get a sense of it this is your job this is what you can expect to earn and this is the context of what the student loan will cost you and how much of your actual after-tax income it will take up. May have to close the circle and that is where organizations like credit counselors or some other budgeting tool or program and I know your website but others are available, and can really help because would put the student will context considered. For any institution of learning that may be sitting in or you may speak to see if they can or resource for kids in college or out. I'll stop there. Entered over to perk .

I wanted a Bureau Stassy Olmos. These presentations were really fantastic. There is a definite quality to these presentations that I really appreciate it even had me go back to work that we did. Had my creative juices going back to some research we did earlier this year in a deeper dive about student loan debt among our customers and was curious about whether a Bureau perhaps was seen some similar findings. Certainly similar to the last presentation around the mortgage market activity people of color just print disproportionately supper compared to white are or what we found in particular was among individuals in the three SH groups the letter 30, 39, 49, houses were somewhat between hours and white hours but the student will that among our customers first step that I have a was an extremely sharp divergence. Quiet borrowers plus Mark Wiebe hours on an average of $25,000 while black borrowers over $70,000. So we are curious whether the you using something similar or maybe even other community group members if you are and similar trends. Also just curious whether this is a matter of factors true of all black borrowers. That black students face less favorable student loan terms, there's the racial income gap, there's the racial income gap. My best exasperated at an older age and maybe there is an overlap with yours that are particularly true for safety rules and plus . we surmised that it might be more about reflection of their total households loan that they are not only coping with their own student loan debt but perhaps the of their children or grandchildren or other folks in their household. Thank you, I'm looking forward to the response.

Great, think, May. Bob, Patricia?

I will take the first stab here but I think you may be seeing a number of factors into the numbers that you sent it. Once we get to older Bowers they are not necessarily borrowers only for themselves. They will still have their own loads from they went to school and especially if they are my reason takes them longer to pay back the loans. Slightly spent longer times in the early stages of deferment or forbearance when they come out of school and so the loan balances grow for a while. Also, a lot of black families may be rebuying the parent plus loan to help their children go to college where is they don't go for the private student loan for a number of reasons but they take. Plus loan which would be easier to qualify for the private loan in many cases . There taking on the deck, as you pointed out, and you are seeing the hassle of that, the parent plus loans benefit the child beneficiary, the student they are always owned by the parent. It is the obligation of the parish so that is one factor you may be seeing in their. Also, take that group longer to repay their loans. People of color tend not to be, they tend to earn last and they tend to be unemployed more and once they are unemployed, it takes longer for them to become reemployed. There been some studies that have pointed out those factors as to journey to the gap between the higher amount owed by minorities versus white . That is terrific, Pat. I really appreciate that and I know that Jean is here from the AARP. Maybe that might be a nice saw pastor. I think from the AARP has a perspective on this too.

Gene, I don't want to put you on the spot but let me know if you want to weigh in on that weather and our afterward that would be great sure per capita. They wanted a place that is being raised right now is just the impact of student loans across intergenerational segments. That is definitely true. I don't have the stats of the top of my head, research we have done has definitely shown and the CFPB staff alluded to this earlier where the testing fastest-growing segment of borrowers are among the 60 plus both in terms of loans for their own education but also they carry on board to the parent or grandparent that was alluded to above are things I am actually thinking about across-the-board is to put all the pieces together. We talked about student debt, housing issues, there is just financial burden across the board. I guess looking at it from the lens of our constituents at the AARP, there are so many factors at play. From housing to student loan to health and then lost employment as well. Given everything that they are facing and yet every time we talk about a particular topic and a factor associated with that we are talking about how difficult it is. If you multiply that across the various factors how complicated it is I feel like we are not doing with all of these issues from horrible life and consumer perspective but more so is the angle we are dealing with each of these issues. I know it is important to do that cross-section of his I have been sitting back and thinking about just a common thread. Thank you.

Incredibly important,, Jean, think your bracket goes back to the part about the tie in that these topics we are talking about, it is real life if you go inside your home and you close your door and you start wearing, going to pay for college, going to pay the rent this month, how am I going to buy food. This is what matters. We are not talking about international policy, about the Arctic Ocean which is important but is a lot more tenuous compared to what affects us in our daily lives . Let me move on next to Tim. You are up. Thank you so much, Eric. Tim Welch, U.S. Bank and big thanks to the rear team for putting this material together. I had a couple of questions and tie together some of the things we've been talking about. First, if you test a couple of times on the financial literacy topic is something we are paying a lot of attention to. I'm wondering from the Bureau team if there are prospects that financial education, financial literacy would somehow be tied to the student lending process so that I didn't go through this they would also get some tools and frameworks and things to think about how to manage their debt along the lines of what Eric was describing. The second question was picking up something had hypothesized, a quite reasonable hypothesis which is the impact on student loads of people's ability to purchase homes and many other decisions in life and what extent the Bureau might've done any research on that to demonstrate that high debt levels to materially affect people all the way down the line lies that research, exist, that would be shareable as a way of helping us educate consumers as well. Any thoughts either of those questions would be much appreciated. This is Kristin take this one for financial literacy education a financial indication where we would be setting up a demo and talk about some of the will we offer this one tool which we think can make an impact, is called your financial after graduation and you live that decision you're going to make to take out student loans. Because, I went off to graduate school, I was floored when I came out of both of those with how much that I had wish I had someone to sit down with me and talk with me about what this all means of eyebrow this for the next four or five years. We really have done some user testing on these tools and as we sit students down and we will come out and say I did not know this stuff they've Artie taken out student loans at this point so this kind of consumer education we need to be giving to students and actually get a positive thing about the student loan debt to take out. That is the first part of your first question the second part is about this domino effect of student loan debt take out student loan debt, you delay creating a family, getting married, buying a house car almost put out a report on to say it was 2014 but don't quote me, call student loan affordability. We are happy to assure that when you walk through some of the comments that were received from student to student loan debt takes into consumer experience of taking on student loan debt. We are happy to share that with you. I would appreciate follow-up on both of those. Connecting you with our team and also understanding more about that report. Think your .

That is spectacular. Tim, thank you for that. As you know I am of like mind on those topics. Kristin Clark views that come I've gone through to see what actually is like and have recommended it to be both so they can take a look. It seems complicated and foreboding but it really makes a difference to start cutting through . Is another thing, another reason why these kinds of meetings to get the word out that these tools are available. With all the resources that are there and are free for people it has to be amplified the more people that know about this and all the resources are there to access. They are because where than likely they already uses so thank you for that. Thank you, Tim. Next up will be Leigh, Leigh Phillips .

Just to build on some of the other comments about the new tools that are available for decision making. I sit on the board of another nonprofit called money think which I certainly launched a new app has both student facing and also designed to help high school guidance counselor and . in addition to allowing students to upload all of their financial aid. Anything from Pell grants, and he financial help they're getting from university or college themselves and understand what the gap is that will have to be made out between work programs, peer, family contributions or taking on student loan debt. It really helps the student to make a decision about which college or university might be best for them when you're looking at it through the lens of finances. Some of the other things they can consider which I think are really interesting is the graduation rates on most colleges not just across-the-board but based on demographics like race. What percentage of students from different backgrounds actually going to be successful? How supportive are universities and colleges? When they graduate from these colleges and all of this goes into a pretty complex decision-making process. What is on the surface might not actually be the best decision and understanding how complex these articles of providing some of the resources to guidance counselors to help them advise students of these types of decision. I wanted to just throw that out there that I do believe that technology and financial technology can play a major role in creating tools that can really help this decision-making process so that we do not see obviously people taking on more debt than they will be able to afford. Also the other problem of students maybe not applying to our thinking they can attend institutions based on case when that might not actually be an accurate picture. I'm happy to share information about that where CFPB staff or C.A.B. members they are interested in learning more. We can certainly be interested in learning more so please let's follow up with a follow-up meeting about that I will be happy to put you in touch. Thanks so much for is great to see our takeaways. It is interesting going back to school to get to go to certain school some schools with larger endowments but I know are now using both endowments progress particularly for students who come from underprivileged low to moderate income families so that the students do not have to work and take their time through work and take a word study they don't take almost. They are actually getting grants from those institutions. You have questions about whether or not students from underserved communities digital school. A lot of" opened up about his for the students to attend. Then there is questions about what it looks like all from different school. These are great conversations to have and to follow up on. Another good reason for these and for the C.A.B. SLP away about 10 minute . let me know C.A.B. members any other comments otherwise tread trouble tie up to receive these disparities in student loan debt. We as a nation made a decision about who would be invested in through home ownership policy will drop that equity to pay for higher education structural centers the student loan center and on the higher education sector and the great recession and the response to really push states actually& Support that they initially forced for student help in higher education. We have seen step back for black and brown students being in a situation where they have to take on more debt. We know that for black students especially four years post-graduation there that is actually growing. It is not decreasing and part of it is from broader society discrimination. We still have situations where people are paid unfairly black women are still some of the lowest paid members of our workforce that is true for Latino women and for other women so these disparities are also the ability of people to really be able to drive down there dad. Those broader society and systemic issues also have to be factored in and we need to see new social constructs. That's why women talk about higher education and giving people place to opportunity you are so many groups calling for flat house that cancellation.: Four $50,000 in loan debt cancellation with a racial justice lens because of this history there was just a report came out in the Wall Street Journal that showed that more than 84% of college educated glass in their thirties have seen their students rise of 35% from three decades ago. This younger generation is carrying about medium level of $45,000 from $6000. We had real structural issues and what we see going on that we had those kind of broad structural solutions so that we can get people fear opportunities.

Thank you, Nikitra . any response or comments in response to Nikitra? I will say one thing because you guys have seen our acting director has been for some priorities for the Bureau and racial equity is one of them. Oh, and I have been thinking of what the intersection between higher education equity and what that means our work we did a webinar highlighting statistics about equity higher education I will be interested to learn more we develop our plans going forward anyone on this C.A.B. membership to talk with us about what they are, what their seeing we would love to hear that a 12 pack

Thank you I will send over some information. Thank you .

Thank you I want to say in the materials for the meeting it was clear, at least to me and I've done some work in student loans and sort of a prior life in terms of those markets, which parts are dealt with on sort of the funding college front end which parts really look back to what is happening in K-12. I know there is mention of that alone that there is elevated. Looking back at creating equality of opportunity and equity and inclusion in the K-12 round in order to be able to access what college has to offer at competitive prices and with opportunity after college. The good part is we know the inquiry is they're attacking it from both sides which to Nikitra's point speaks to the larger part of the issue we've been talking about. The viewers echoed by acting director making it a priority in terms of racial equity, social justice, inclusion and all the other topics we know are part of a larger framework of what we are seeing today in the markets. Two quick things and if there's any other hints let me know. Just a couple of final comments. It is interesting to me that compared to mortgage. One of the things I have not been thrilled with from the get-go is that Bowers and forbearance had been considered the link with for reporting purposes which create some confusion as to whether or not a borrower is considered delinquent because they missed a payment is actually still struggling. If you say that there are 2 million borrowers who are delinquent. That is just because they have this their payments now because of work appearance. You're required to make those payments under the no you are not required to make those payments now. You compare not to student loans where the hours are not being recorded as delinquent. One of the issues is what happens when that borrower asked her bear we know that the mortgage side there's going to be some issues, mistakes, errors made for Bowers who did not get an opportunity to talk to their servicer about loss mitigation coming out of forbearance. At least in the student loan world I am hopeful that borrower is not considered delinquent to start fresh and where the borrower is that laboring to that where boundaries have to recertify their IVR programs I hope there is very careful attention paid to the so that some borrowers are not lost in the paperwork and they are not considered delinquent when it is more of the question of paperwork or miscommunication between borrowers and servicers. That speaks to the services are going to put in. I know from the markets perspective servicers are trying to comply but, once again, there will be mistakes and errors and hopefully there is attention to where things go off the rails, what policies and procedures are and how to seek and how servicers to address instances where things go awry and not only react completely but responsibly as well. Hopefully the Bureau pays attention to that and at least understands what is mortgage loan servicers or student loan services or otherwise are trying to comply in remedying the situation where the fall short of the mark. He asked again if there's any other hands in the C.A.B.. If not, I will tie this up . I will give about 10 or 15 seconds for any C.A.B. member to jump in. Okay. With that I would like to tie up. Bob and pave Kristin thank you again for this incredibly important topic. It is really top of mind for so many people. Thank you for the love work that you and your colleagues at the Bureau have been doing . I want to stop there and see if there's any other comments from the Bureau before we wrap up the day. Okay. Not being heard I will say this but I want to thank everyone before I turn it over to Manny for final thoughts I want to thank everyone on the C.A.B. come all of aunties and all of the Bureau team starting with acting director all the way down the staff members of the ones today I want to reiterate what we talked about at the beginning of today's afternoon session. Worked on the Bureau is doing is all-encompassing we see it firsthand. People feel the results firsthand in their day-to-day lives. We are talking mortgage loans, auto loans, credit all of the go to people's ability to for their lives. The amount of work that the Bureau is doing it bears repeating is enormous. If it is a problem for you and your household, if you think you have your own issue or if you are seeing there is an issue across excited chances are the Bureau is doing that work and they are aware of that. Just in case, they are not, there is something you think the Bureau should be aware of please reach out to the real, reach out one of us reach out to any of your creditors. The information must make its way back to the Bureau and even if they are aware of that all viewpoints are formative in their attitude to the policymaking and regulatory process. And also to industry participants, against and other stakeholders as well. I do want to reiterate my thanks to the Bureau for that. Okay, thank you for the opportunity to serve on the C.A.B., half of all C.A.B. members as well. Thank you to the work you do. With that, may I will turn it over to your thank you, Eric, lettuce and other big thank you for your staff are such great presentations throughout the day. We certainly appreciate C.A.B. members, Bob provoking comments, statements on his and engaged in what we have to do. Again, thanks so much for making time today. We look forward to future engagements with advisory committee members in the coming weeks. With that, Tracy, the meeting is concluded. Thank you again, albeit

Thank you, Manny, thank you C.A.B. members.