



The CFPB Turns 10

**A Decade of Success, Setbacks, and Promise
at the Consumer Financial Protection Bureau**

MASSPIRG | Education
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Mike Litt

MASSPIRG Education Fund

Ed Mierzwinski

MASSPIRG Education Fund

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Table of Contents

Introduction	4
How the CFPB has Protected Consumers	4
How the CFPB is Returning to its Mission	5
Recommendations Moving Forward	7
Rules	7
Consumer Complaint Database	8
Consumer Task Force	8
Appendix	9

Introduction

The Consumer Financial Protection Bureau (CFPB) opened its doors on July 21, 2011, one year after President Barack Obama signed the Dodd-Frank Wall Street Reform and Consumer Protection Act. Typically referred to as “Dodd-Frank” or “Wall Street Reform,” this law notably created the CFPB, a new federal agency designed to ensure “that markets for consumer financial products and services are fair, transparent, and competitive.”¹

In short, the CFPB was set up in the aftermath of the 2008 economic crash caused, in large part, by Wall Street malfeasance to be the country’s first dedicated watchdog for consumers in the financial marketplace. Unscrupulous businesses drove millions of Americans down the road to financial ruin in the late 2000s. The creation of the CFPB soon afterward was a necessary -- and hard-won -- victory for consumers.²

The CFPB has shown its promise in its first 10 years of operation, as well as its resiliency in the face of efforts to defund and defang it³ and to undermine its mission during a recent period of questionable leadership at the Bureau.

This report recaps the CFPB’s results for consumers over the past 10 years, the steps taken to return the CFPB back to its mission after three years of retrograde decisions under the Trump Administration, and our recommendations for CFPB action moving forward.

How the CFPB has Protected Consumers

¹ *Dodd-Frank Wall Street Reform and Consumer Protection Act*. Public Law 111-203. 12 USC 5301.

² PIRG is a founding member of Americans for Financial Reform, a broad coalition of hundreds of business, civil rights, community, consumer, faith-based, investor, and labor organizations that galvanized the public in support of the CFPB and lobbied in favor of it.

³ Despite numerous efforts to defund and defang the CFPB, including House passage of the [Financial Choice Act](#) (or the “Wrong Choice Act” as consumer advocates called it) in 2017, the big bipartisan rollback of Dodd-Frank reforms signed into law in 2018 left the CFPB unscathed. See Sarah O’Brien, “[Dodd-Frank changed consumer protections after the financial crisis — here’s how that’s shaking out today](#),” *CNBC*, 11 September 2018.

- Through 2020, the CFPB's actions to enforce the law have resulted in \$12.9 billion in consumer relief, including money returned, principals reduced, and debts cancelled.⁴ 175 million people have been eligible for that relief.
- The CFPB has taken nearly 300 enforcement actions against companies⁵, including Wells Fargo for creating more than two million unauthorized customer accounts⁶, the three major credit bureaus - Equifax⁷, Experian⁸, and TransUnion⁹ - for deceiving consumers about the credit scores they sold, and Navient for illegally cheating student loan borrowers out of repayment rights.¹⁰
- An additional \$1.6 billion in civil penalties have been ordered as a result of the CFPB's enforcement actions.
- The CFPB maintains a public Consumer Complaint Database, which has published 2.2 million consumer complaints.¹¹ 15.7% of those complaints have resulted in monetary and non-monetary relief.^{12 13}

⁴ CFPB, *Enforcement by the Numbers*, January 2021, <https://www.consumerfinance.gov/enforcement/enforcement-by-the-numbers/>.

⁵ The CFPB lists 291 filed enforcement actions on the *Enforcement Actions* section of its website. See CFPB, *Enforcement Actions*, accessed 5 July 2021, <https://www.consumerfinance.gov/enforcement/actions/>.

⁶ CFPB, *Consumer Financial Protection Bureau Fines Wells Fargo \$100 Million for Widespread Illegal Practice of Secretly Opening Unauthorized Accounts* (press release), 8 September 2016, <https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-fines-wells-fargo-100-million-widespread-illegal-practice-secretly-opening-unauthorized-accounts/>.

⁷ CFPB, *CFPB Orders TransUnion and Equifax to Pay for Deceiving Consumers in Marketing Credit Scores and Credit Products* (press release), 3 January 2017, <https://www.consumerfinance.gov/about-us/newsroom/cfpb-orders-transunion-and-equifax-pay-deceiving-consumers-marketing-credit-scores-and-credit-products/>.

⁸ CFPB, *CFPB Fines Experian \$3 Million for Deceiving Consumers in Marketing Credit Scores* (press release), 23 March 2017, <https://www.consumerfinance.gov/about-us/newsroom/cfpb-fines-experian-3-million-deceiving-consumers-marketing-credit-scores/>.

⁹ See Note 7

¹⁰ CFPB, *CFPB Sues Nation's Largest Student Loan Company Navient for Failing Borrowers at Every Stage of Repayment* (press release), 18 January 2017, <https://www.consumerfinance.gov/about-us/newsroom/cfpb-sues-nations-largest-student-loan-company-navient-failing-borrowers-every-stage-repayment/>.

¹¹ As of 5 July 2021 the CFPB's Consumer Complaint Database had published 2,156,782 complaints since first receiving complaints on 1 December 2011 through June 2021. See CFPB, *Consumer Complaint Database*, accessed 5 July 2020, <https://www.consumerfinance.gov/data-research/consumer-complaints/search>.

¹² As of 5 July 2021 there were 338,082 complaints closed with monetary or non-monetary relief since the CFPB first started receiving complaints on 1 December 2011 through June 2021. This accounts for 15.7% of the total 2,156,782 complaints published during this time period. See CFPB, *Consumer Complaint Database*, accessed 5 July 2021, <https://www.consumerfinance.gov/data-research/consumer-complaints/search>.

¹³ Monetary relief is defined by the CFPB as "objective, measurable, and verifiable" monetary relief to the consumer in response to the complaint. Non-monetary relief represents "other objective and verifiable relief," such as stopping unwanted debt collection calls, correcting incorrect information on credit reports, and restoring account access. See CFPB, *Consumer Response Annual Report*, March 2021,

How the CFPB is Returning to its Mission

The CFPB's first director, Richard Cordray, stepped down near the end of his five-year term in November 2017 to run for governor of Ohio.¹⁴ That's when the CFPB started straying from its mission to protect consumers, first, under interim Director Mick Mulvaney and then under Director Kathy Kraninger.

Director Kraninger resigned as director at the request of President Biden on Inauguration Day and was replaced by Acting Director Dave Uejio.¹⁵ President Biden nominated FTC Commissioner Rohit Chopra to be the CFPB's next director.¹⁶ Commissioner Chopra appeared before the Senate Banking Committee for his confirmation hearing in March and is awaiting a full Senate vote.¹⁷

In the meantime, the CFPB has taken a number of steps to provide COVID-19 related relief, reverse or delay harmful actions taken under the previous leadership, and protect consumers from other problems in the marketplace.

- Through June 30, 2021, the CFPB has announced 39 activities, including 12 COVID-19 related activities, 11 enforcement actions, and 4 actions to reverse or delay actions related to rules and policy statements under the previous leadership.¹⁸ See Appendix for list of activities.
- Its COVID-19 related work include reports, statements, notification letters, a compliance bulletin, and activities related to rules.
- Its efforts to reverse or delay detrimental actions under the previous leadership include:
 - Rescinding its *Statement of Policy Regarding Prohibition on Abusive Acts or Practices*, which stated that the CFPB would cease to seek civil penalties for certain abusive acts and practices.¹⁹
 - Rescinding seven policy statements that provided temporary flexibilities to financial institutions in consumer financial markets including mortgages, credit reporting, credit

¹⁴ Jack Torry, "Cordray Quits Federal Post to Run for Ohio Governor," *The Columbus Dispatch*, 15 November 2017.

¹⁵ Michelle Price, "Biden Appoints U.S. Consumer Watchdog Veteran as Acting Director after Trump Appointee Resigns," *Reuters*, 21 January 2021.

¹⁶ The White House, *Nominations Sent to the Senate*, 13 February 2021.

¹⁷ "SEC Chair and CFPB Director Confirmation Hearing," *C-SPAN*, 2 March 2021.

¹⁸ We arrived at these figures by compiling the CFPB's press releases published from 20 January 2021 through 30 June 2021. See Appendix of this report for our compiled list. See CFPB, *Newsroom*, accessed 5 July 2021, <https://www.consumerfinance.gov/about-us/newsroom/>.

¹⁹ CFPB, *Consumer Financial Protection Bureau Rescinds Abusiveness Policy Statement to Better Protect Consumers* (press release), 11 March 2021, <https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-rescinds-abusiveness-policy-statement-to-better-protect-consumers/>.

cards and prepaid cards.²⁰ It also rescinded its 2018 bulletin on supervisory communications.

- Delaying implementation of two debt collection rules issued in late 2020.²¹ These rules permit debt collectors to harass consumers and collect time-barred debts that have passed their statute of limitations.
- Resuming supervision of companies for compliance with the Military Lending Act (MLA).²² This reversed the CFPB's 2018 discontinuation of MLA-related examination activities.

Recommendations Moving Forward

There are a number of actions the CFPB should take to further protect consumers.

Rules

Payday Lending: Halt implementation of its 2020 payday lending rule and fix it.²³

Debt Collection: Although the CFPB has delayed implementation of its debt collection rules, it should also revise them.

Debt collectors are currently allowed too many phone call attempts. Call attempts should be scaled back to three attempted calls per week per consumer, not per debt. Consumers should opt-in to electronic communication, rather than have to opt-out. And lastly, collectors should be prohibited

²⁰ CFPB, *CFPB Rescinds Series Of Policy Statements To Ensure Industry Complies With Consumer Protection Laws* (press release), 31 March 2021, <https://www.consumerfinance.gov/about-us/newsroom/cfpb-rescinds-series-of-policy-statements-to-ensure-industry-complies-with-consumer-protection-laws/>.

²¹ CFPB, *CFPB Proposes Delay of Effective Date for Recent Debt Collection Rules* (press release), 7 April 2021, <https://www.consumerfinance.gov/about-us/newsroom/cfpb-proposes-delay-of-effective-date-for-recent-debt-collection-rules/>.

²² CFPB, *Consumer Financial Protection Bureau Issues Interpretive Rule on Authority to Resume Examinations Regarding the Military Lending Act* (press release), 16 June 2021, <https://www.consumerfinance.gov/about-us/newsroom/cfpb-issues-interpretive-rule-on-authority-to-resume-examinations-regarding-the-military-lending-act/>

²³ The CFPB issued a payday lending rule in 2017 under Director Richard Cordray. This rule would have required payday lenders to ensure that borrowers can afford to repay loans that are taken out. The Trump CFPB halted implementation of the rule and revised it in July 2020, scrapping the ability-to-repay requirement. See CFPB, *Payday, Vehicle Title, and Certain High-Cost Installment Loans*, accessed 5 July 2021, <https://www.consumerfinance.gov/rules-policy/final-rules/payday-vehicle-title-and-certain-high-cost-installment-loans/>.

from contacting consumers about time-barred debt, and be prohibited from attempting to collect such legally dead debt.²⁴

Overdraft Fees: Use CFPB rulemaking authority to stop abusive overdraft fees.

Credit Reporting: The CFPB should use rulemaking and enforcement to reform the credit bureaus, including by requiring stricter identity matching criteria such as the use of all nine digits of a Social Security number. The most complained about product in the CFPB's Consumer Complaint Database is credit reporting, and the most complained about issue is credit reporting mistakes.²⁵ According to its Supervisory Highlights report published in June 2021, the CFPB's examiners found continued inclusion of information on credit reports from unreliable data furnishers.²⁶

In addition to rulemaking, the CFPB should use its other enforcement and supervisory authorities to protect consumers from issues with predatory lending, debt collection, overdraft fees, credit reporting, virtual wallets, and other problematic products and services.

Consumer Complaint Database

We urge the CFPB to make its Consumer Complaint Database and the complaints in the database easy to find and use again.²⁷

Consumer Task Force

In October 2019, the CFPB announced that it would establish a Taskforce on Federal Consumer Financial Law to review consumer laws and make recommendations for the future.²⁸ Ostensibly, the Taskforce was to be patterned after a bi-partisan Congressional commission that had issued a report

²⁴ NCLC, *CFPB Changes Needed to Prevent New Debt Collection Rules from Hurting Consumers*, January 2021, https://www.nclc.org/images/pdf/debt_collection/IB_Top_Fix_Debt_Coll_2021.pdf.

²⁵ As of 5 July 2021, there were 754,537 complaints about "Credit reporting, credit repair services, or other personal consumer reports" from 1 December 2011 through June 2021. This is the most complained about product category in the CFPB's complaint database. See CFPB, *Consumer Complaint Database*, accessed 5 July 2021, <https://www.consumerfinance.gov/data-research/consumer-complaints/search>.

²⁶ CFPB, *Supervisory Highlights: Issue 24, Summer 2021*, June 2021.

²⁷ PIRG highlighted the problems with finding the database and its complaints in a letter to Director Kraninger in August 2020 and again in the recommendations section of its March 2021 report about complaints in the database. See Advocacy for Principled Action in Government et al., *Hidden Narratives in the CFPB Consumer Complaint Database*, 11 August 2020, https://uspig.org/sites/pirg/files/resources/Complaint%20DB%20Hidden%20Narratives-Advocates%27%20Ltr%20and%20Attachment-8-11-20_0.pdf. See Ed Mierwinski, Mike Litt, Lucy Baker, and Gideon Weissman, U.S. PIRG and Frontier Group, *Consumers in Peril*, March 2021.

²⁸ CFPB, *CFPB Announces Taskforce on Federal Consumer Financial Law* (press release), 11 October 2019, <https://www.consumerfinance.gov/about-us/newsroom/cfpb-announces-taskforce-federal-consumer-financial-law/>.

on consumer credit in 1972 after holding several public hearings.²⁹ The Taskforce was established in January 2020 with 4 members;³⁰ a fifth member was announced the following week.³¹ In June 2020, U.S. PIRG, the National Association of Consumer Advocates and Professor Kathleen Engel, a consumer law expert who had been rejected for membership on the Taskforce, represented by the public interest law firm Democracy Forward, sued the CFPB for creating the Taskforce in violation of the Federal Advisory Committee Act (FACA).³² On January 5, 2021, the Taskforce released its final voluminous report in two volumes totaling nearly 900 pages.³³ In March 2021, a magistrate judge rejected the CFPB’s motion to partially dismiss our lawsuit.³⁴ We continue settlement negotiations with the CFPB.

Appendix

Table 1. CFPB Activities Announced Since January 20, 2021³⁵

Action	Type of Action	Date
Sued Libre for predatory immigrant-services scam with Virginia, Massachusetts, and New York attorneys general	Enforcement	Feb 22, 2021
Issued report showing over 11 million families at risk of losing housing	Report	Mar 01, 2021
Filed a lawsuit against payment processor and its former CEO for supporting internet-based technical-support scams	Enforcement	Mar 03, 2021
Proposed delay of mandatory compliance date for General Qualified Mortgage final rule	Notice of Proposed Rulemaking (NPRM)	Mar 03, 2021
Clarified that discrimination by lenders on the basis of sexual orientation and gender identity is illegal	Interpretive rule	Mar 09, 2021
Rescinded abusiveness policy statement to better protect consumers	Rescinded policy statement	Mar 11, 2021
Sued operators of an unlawful student loan debt-relief scheme	Enforcement	Mar 16, 2021

²⁹ The National Commission on Consumer Finance, *Consumer Credit In The United States*, December 1972.

³⁰ CFPB, *CFPB Announces Membership of Taskforce on Federal Consumer Financial Law* (press release), 9 January 2020,

<https://www.consumerfinance.gov/about-us/newsroom/cfpb-announces-membership-taskforce-federal-consumer-financial-law/>.

³¹ CFPB, *CFPB Announces Additional Member of Taskforce on Federal Consumer Financial Law* (press release), 17 January 2020, <https://www.consumerfinance.gov/about-us/newsroom/cfpb-announces-additional-member-to-taskforce/>.

³² U.S. PIRG, *Consumer Advocates Sue CFPB for Granting Financial Services Industry Illegal Influence Over Protection Policy* (press release), 16 June 2020,

<https://uspig.org/news/usp/consumer-advocates-sue-cfpb-granting-financial-services-industry-illegal-influence-over>.

³³ CFPB, *Consumer Financial Protection Bureau’s Taskforce on Federal Consumer Financial Law Releases Its Report* (press release), 5 January 2021,

<https://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureaus-taskforce-on-federal-consumer-financial-law-releases-its-report/>.

³⁴ “Magistrate Judge Denies CFPB’s Motion For Partial Dismissal of Lawsuit Challenging Creation of Taskforce on Federal Consumer Financial Law,” *JD Supra*, 5 March 2021.

³⁵ See Note 18

Encouraged financial institutions and debt collectors to allow stimulus payments to reach consumers	Statement	Mar 17, 2021
Submitted 2020 Report to Congress on the Administration of the Fair Debt Collection Practices Act	Report	Mar 22, 2021
Submitted annual complaint report highlighting more than a half-million complaints received in 2020	Report	Mar 24, 2021
Sought wide range of views on financial institutions' use of artificial intelligence, along with four other agencies	RFI	Mar 29, 2021
CFPB Acting Director Uejio and FTC Acting Chairwoman Slaughter issue joint statement on preventing illegal evictions	Statement	Mar 29, 2021
Announced availability of 2020 HMDA Data on Mortgage Lending	Announcement of HMDA Data	Mar 31, 2021
Rescinded series of policy statements to ensure industry complies with consumer protection laws	Rescinded policy statements and a bulletin	Mar 31, 2021
Warned mortgage servicers with compliance bulletin	Compliance bulletin	Apr 01, 2021
Proposed mortgage servicing changes to prevent wave of COVID-19 foreclosures	Notice of Proposed Rulemaking (NPRM)	Apr 05, 2021
Issued a consent order against debt collector and its owner for falsely threatening consumers with legal action	Enforcement	Apr 06, 2021
Proposed delay of effective date for recent debt collection rules	Notice of Proposed Rulemaking (NPRM)	Apr 07, 2021
Filed a complaint and proposed order against online debt-settlement company for steering consumers into high-cost loans	Enforcement	Apr 13, 2021
Issued interim rule to clarify that tenants can hold debt collectors accountable for illegal evictions	Interim final rule	Apr 19, 2021
Filed suit to seize hidden assets from operator of shuttered debt collection scheme with New York attorney general	Enforcement	Apr 22, 2021
Issued consent order against reverse mortgage lender for deceptive advertising	Enforcement	Apr 27, 2021
Delayed mandatory compliance date for General Qualified Mortgage final rule	Final rule	Apr 27, 2021
Issued statement by CFPB Acting Director Dave Uejio on unauthorized withdrawals by mortgage servicer	Statement	Apr 27, 2021
Issued consumer complaint bulletin that examines county-level demographic data	Bulletin	Apr 28, 2021
Put nation's largest landlords on notice about tenants' pandemic protections with the Federal Trade Commission	Notification letters	May 03, 2021
Issued reports detailing mortgage borrowers' continuing COVID-19 challenges	Report	May 04, 2021
Filed a proposed order against debt-settlement company for charging consumers unlawful fees	Enforcement	May 17, 2021

Extended comment period on Request for Information on artificial intelligence, along with four other agencies	Extended RFI	May 17, 2021
Issued consent order against auto lender for unfair loss damage waiver practices	Enforcement	May 21, 2021
Filed a proposed settlement against company and its CEO for deceptive deposit and loan products	Enforcement	May 27, 2021
Published report showing manufactured housing loan borrowers face higher interest rates, risks, and barriers to credit	Report	May 27, 2021
Issued interpretive rule on authority to resume examinations regarding the Military Lending Act	Interpretive rule	Jun 16, 2021
Announced FFIEC's availability of 2020 Data on Mortgage Lending	Announcement of HMDA Data	Jun 17, 2021
Issued statement by CFPB Acting Director Dave Uejio on impact of the Juneteenth National Independence Day federal holiday on residential mortgage closings	Statement	Jun 18, 2021
Finalized amendment to federal mortgage servicing regulations to facilitate smooth transition as federal foreclosure protections expire	Final rule	Jun 28, 2021
Filed a proposed order against company and its owners and executives for deceptive debt-relief and credit-repair services	Enforcement	Jun 29, 2021
Issued report highlighting supervisory findings of wide-ranging violations of law in 2020	Report	Jun 29, 2021
Announced FFIEC's new booklet updating examiner guidance on financial institutions' information technology architecture, infrastructure, and operations	Announcement of FFIEC booklet	Jun 30, 2021