Disclaimer

This presentation is being made by a Consumer Financial Protection Bureau representative on behalf of the Bureau. It does not constitute legal interpretation, guidance or advice of the Consumer Financial Protection Bureau. Any opinions or views stated by the presenter are the presenter’s own and may not represent the Bureau’s views.
Centralizing Consumer Financial Protection Accountability

Federal agencies with consumer financial protection duties, in addition to their many other responsibilities:

- FDIC
- OCC
- Federal Reserve
- FTC
- HUD
- NCUA

- Scattered approach resulted in regulatory gaps covering consumer financial products or services
- Centralized consumer financial protection responsibilities

Certain CFPB Offices

Office of Servicemember Affairs
http://www.consumerfinance.gov/servicemembers/

Office of Consumer Response
http://www.consumerfinance.gov/complaint/

Office of Enforcement
http://www.consumerfinance.gov/policy-compliance/enforcement/
OFFICE OF ENFORCEMENT

Office of Enforcement

- $20 trillion consumer finance marketplace
- Subjects:
  - Depository institutions and credit unions with assets over $10 billion, as well as affiliates and service providers (less than 200); and
  - Non-bank providers of consumer financial products and services (more than 80,000)
  - Aiders & abettors who "knowingly or recklessly provide substantial assistance to a covered person or service provider" in violation of Section 1031
  - Subjects of various specific statutes, such as the Fair Debt Collection Practices Act
Office of Enforcement

Core Work

- Auto loans
- Bank accounts and deposit products
- Consumer credit reporting
- Credit cards
- Debt collection
- Debt relief and credit counseling
- Electronic fund transfers
- Fair lending
- General consumer finance
- Mortgage origination
- Mortgage servicing
- Payday lending
- Prepaid cards
- Student loans

Office of Enforcement

Selected Laws the CFPB Enforces

- Alternative Mortgage Transaction Parity Act (AMTPA)
- Consumer Financial Protection Act (Title X of Dodd-Frank)
- Consumer Leasing Act (CLA)
- Electronic Fund Transfer Act
- Equal Credit Opportunity Act (ECOA)
- Fair Credit Billing Act (FCBA)
- Fair Credit Reporting Act (FCRA)
- Fair Debt Collection Practices Act (FDCPA)
- Home Mortgage Disclosure Act (HMDA)
- Home Owners Protection Act (HOPA)
- Home Ownership and Equity Protection Act (HOEPA)
- Interstate Land Sales Full Disclosure Act (ILSA)
- Military Lending Act (MLA)
- Omnibus Appropriations Act 2009
- Real Estate Settlement Procedures Act (RESPA)
- S.A.F.E. Mortgage Licensing Act
- Truth in Lending Act (TILA)
- Truth in Savings Act (TISA)
Office of Enforcement

- **Choice of Fora**
  - Administrative proceedings
  - Federal courts

- **§ 1055 Remedies (including without limitation)**
  - Injunctive relief
  - Disgorgement of profits
  - Monetary restitution and damages
  - Rescission of contracts
  - Civil money penalties
  - “any appropriate legal or equitable relief”

Office of Enforcement

**Civil Penalties**

- “Any person that violates . . . any provision of Federal consumer financial law shall forfeit and pay a civil penalty pursuant to this subsection”
  - Section 1055(c)(1)

- Civil money penalties available both administratively and in federal court

- Three tiers of penalties:
  - Up to $5,000/day
  - Up to $25,000/day for reckless violations
  - Up to $1 million/day for knowing violations
## Military-specific Enforcement Matters

- **US Bank (MILES)/DFS**  

- **USA Discounters**  
  (In the Matter of: USA Discounters, Ltd. (File No. 2014-CFPB-0011)

- **Freedom Furniture**  

- **Colfax (a.k.a. Rome Finance)**  
  (In the Matter of: Colfax Capital Corp., et al. (File No. 2014-CFPB-0009)

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## Military-specific Enforcement Matters

- **RMK Mortgage**  
  (In the Matter of RMK Financial, Corp. (File No. 2015-CFPB-0007)

- **New Day**  
  (In the Matter of: NewDay Financial, LLC (File No. 2015-CFPB-0004)

- **MAC**  
  (In the Matter of: Fort Knox National Company and Military Assistance Company, LLC (File No. 2015-CFPB-008)

- **SNAAC**  

- **NFCU**  
  (In the Matter of: Navy Federal Credit Union (File No. 2016-CFPB-0024)
Resources

- consumerfinance.gov/complaints
- consumerfinance.gov/askcfpb
- consumerfinance.gov/servicemembers
- military@cfpb.gov

- Local and regional training
- Individual responses from liaison
- Preventive law materials
- Link CFPB website to LA websites
- Distribution list for Enforcement information

QUESTIONS?

Angela Martin
Senior Enforcement Attorney
Military Affairs Liaison
angelamartin@cfpb.gov
(202) 578-6956 (cell)