



CONSUMER LOBBY DAY 2019

THE CONSUMER FINANCIAL PROTECTION BUREAU MUST RENEW ITS FOCUS ON STRONG CONSUMER PROTECTIONS

Congress should prevent any changes to the Bureau's independence or structure

Key Points:

- **Congress must continue pressure on the Bureau to return to its mission of protecting consumers.** Under recent leadership, the Bureau has failed to effectively fulfill its core mission, has taken actions that seek to reduce burden on industry at the expense of consumers, and has neglected to enforce the law.
- **Congress should push for a strong CFPB rule to fix problems with debt collection.** The Bureau is set to propose a debt collection rule in the near future. The rule must protect consumers, not abusive collectors, and should stop telephone harassment, protect consumer privacy, and bar the collection of zombie debt.
- **Congress should resist proposed changes to the Bureau's independence, structure, and funding.** Dodd-Frank provided the Bureau with the tools to fulfill its mission; and the CFPB's structure, funding, and independence should be preserved.

The Bureau Must Protect Consumers, Not Industry

- **The CFPB must enforce the law.** The CFPB's overall enforcement activity is down by 80% from the Bureau's peak productivity in 2015 and average monetary relief to victims is down by 96% per case. Public enforcement actions involving credit reporting and debt collection, which saw the highest complaint volumes in recent years, have dropped significantly. This lack of enforcement allows dishonest companies to rip off consumers, unimpeded.
- **The CFPB must re-prioritize student lending.** Last year, over a million borrowers defaulted on their student loans. Despite student loan debt of \$1.56 trillion, shouldered by 44 million Americans, the CFPB has deprioritized its focus on student lending by eliminating the Office for Students and failing to hire a Student Loan Ombudsman.
- **The CFPB should work to prevent discriminatory practices.** Despite continued evidence of discrimination in consumer lending, the CFPB has stripped supervisory and enforcement powers from the Office of Fair Lending, which is charged with ensuring fair, equitable, and nondiscriminatory access to credit for consumers.



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The Upcoming Debt Collection Rule Must Protect Consumers, Not Abusive Collectors

- **The CFPB should prevent telephone harassment.** The rule should limit collectors to one conversation per week and require collectors to stop calling if a request is made.
- **The CFPB should stop collection of time-barred zombie debt.** Once debt is so old that collectors cannot legally sue and records are lost, it is impossible to collect that debt without mistakes or deception.
- **The CFPB should protect consumer privacy in all forms of communication.** Debt collectors should not be allowed to use channels such as work emails or voicemails that are not private. The Bureau should not exempt any debt collector communications from the protections of the Fair Debt Collection Practices Act.

The Bureau Must Maintain its Independence, Structure, and Funding

- **The CFPB's structure should remain intact.** To be effective at implementing strong consumer protections, the CFPB should maintain its single-director structure.
- **Congress should oppose any proposal—either from the Director or Congress—to compromise the CFPB's independence.** Prior to 2018, the CFPB effectively worked for consumers. The agency has a high level of accountability which should be used to ensure that it focuses on its mandate to protect consumers.
- **The CFPB should be independently funded.** As for other bank regulators, funding that is independent of congressional appropriation battles and not tainted by provisions stuck in by industry lobbyists is integral to the CFPB's ability to protect consumers.

Consumer Lobby Day is a joint project of leading national, state and local consumer groups. For more information about CLD or the policies described on this fact sheet, please contact

CLD@consumerfed.org