

Written Testimony
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Before the House Committee on Financial Services
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Chairwoman Waters, Ranking Member McHenry, and distinguished Members of the Committee thank you for the opportunity to present the Consumer Financial Protection Bureau's most recent Semi-Annual Report to Congress.

The Bureau presents these Semi-Annual Reports to Congress and the American people in fulfillment of its statutory responsibility and commitment to accountability and transparency. The Bureau's Spring 2019 (October 1, 2018, to March 31, 2019) Semi-Annual Report meets this mandate. My testimony is intended to highlight the contents of this Semi-Annual Report (Report).

1. Significant problems faced by consumers in shopping for or obtaining consumer financial products or services

In each Report, the Bureau identifies relevant trends affecting consumers shopping for, or obtaining consumer financial products or services. In this Report, the Bureau highlights three trends detailed in two Quarterly Consumer Credit Trends (qCCT) reports and a Research Brief.

First – Natural disasters can result in substantial property destruction and personal injury, and tragically, loss of life. They can also result in negative shocks to household finances, including lost income and major unexpected expenses.¹ Many financial institutions offer financial relief or assistance that often includes payment relief for customers affected by natural disasters. The qCCT report about [Natural Disasters and Credit Reporting](#) documents current practices for natural disaster reporting as reflected by comment codes entered in credit records.

The Bureau recognizes the serious impact major disasters or emergencies have on consumers and the operations of many supervised entities. Existing laws and regulations provide supervised entities regulatory flexibility to take certain actions that can benefit consumers in communities under stress and hasten recovery. The Bureau will also consider the impact of major disasters or emergencies on supervised entities themselves when conducting supervisory activities. In September 2018, the Bureau issued its “Statement on Supervisory Practices Regarding Financial Institutions and Consumers Affected by a Major Disaster or Emergency.”²

The Bureau currently also produces a significant range of educational material on the financial aspects of preparing for a disaster. For example, the Bureau recently worked with the Federal Emergency Management Agency (FEMA) to develop a disaster checklist to help consumers prepare for a natural disaster. This material is made available to the public both in print and online.

Second – Understanding Servicemembers options in obtaining a mortgage is important in determining how the Bureau can best support Servicemembers and veterans. Servicemembers have a range of options for obtaining a mortgage. The qCCT report about [Mortgages to First-](#)

[time Homebuying Servicemembers](#) discusses how loan choices for first-time homebuyers have evolved from 2006 to 2016. This report shows that Servicemembers' reliance on VA loans for first time homebuying increased from 2006 to 2016. The Bureau is also focused on supporting Servicemembers in the mortgage loan process.

The Bureau's Buying a House tool is a useful guide in helping Servicemembers and veterans become aware of how to navigate the path to achieving homeownership.

Third – Bureau research has consistently demonstrated that having control of personal finances is an important element in financial well-being. Our Research Brief *Consumer Insights on Paying Bills* looks at common challenges related to bill payment. The Brief outlines a range of steps that consumers can consider to enhance timely debt servicing and maximize their cash flow.

The Bureau's approach to consumer protection includes five principles³ for effective financial education, and the steps discussed in this Research Brief flow from the principle of helping consumers make good decisions and to follow through. This review is illustrative of the proactive approach we intend to continue in order to foster the financial well-being of American consumers.

2. Justification of the budget request of the previous year

The Bureau is funded principally by transfers from the Federal Reserve System, up to the limits set forth in Section 1017 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) (12 U.S.C. 5497). As of March 31, 2019, the Bureau had received two transfers for Fiscal Year (FY) 2019 in the amounts of \$172.9 million (October 1, 2018) and \$122.8 million (January 2, 2019) for a total of \$295.7 million. Additional information about the Bureau's finances, including information about the Bureau's Civil Penalty Fund and the Bureau-Administered Redress programs is, available in the annual financial reports and the Chief Financial Officer (CFO) quarterly updates, published online at www.consumerfinance.gov. Copies of the Bureau's quarterly funds transfer requests are also available online.

As of March 31, 2019, the end of the second quarter of FY 2019, the Bureau had spent approximately \$281.9 million in 2019 funds to carry out the authorities of the Bureau under Federal financial consumer law. This includes commitments, obligations, and expenditures. A commitment is a reservation of funds in anticipation of a future obligation. The Bureau spent approximately \$154.9 million on employee compensation for the 1,452 employees on board at the end of the second quarter.

3. Significant rules and orders adopted by the Bureau, as well as other significant initiatives conducted by the Bureau, during the preceding year and the plan of the Bureau for rules, orders, or other initiatives to be undertaken during the upcoming period⁴

3.1 - Significant rules:⁵

The Bureau did not adopt significant final rules or orders during the preceding year. The Bureau issued two significant notices of proposed rulemaking:

- Payday, Vehicle Title, and Certain High-Cost Installment Loans⁶
- Payday, Vehicle Title, and Certain High-Cost Installment Loans; Delay of Compliance Date⁷

3.2 - Less Significant rules:⁸

- Final Rule: Federal Mortgage Disclosure Requirements under the Truth in Lending Act (TILA) (Regulation Z)⁹
- Final Rule: Amendment to the Annual Privacy Notice Requirement Under the Gramm-Leach-Bliley Act (Regulation P)¹⁰
- Final Rule: Partial Exemptions from the Requirements of the Home Mortgage Disclosure Act under the Economic Growth, Regulatory Relief, and Consumer Protection Act (Regulation C)¹¹
- Final Rule: Summaries of Rights under the Fair Credit Reporting Act (Regulation V)¹²
- Final Rule: Home Mortgage Disclosure (Regulation C) Adjustment to Asset-Size Exemption Threshold¹³
- Final Rule: Truth in Lending Act (Regulation Z) Adjustment to Asset-Size Exemption Threshold¹⁴
- Final Rule: Civil Penalty Inflation Adjustments¹⁵
- Final Rule: Technical Specifications for Submissions to the Prepaid Account Agreements Database¹⁶

3.3 - Significant initiatives:

- Final Policy Guidance: Disclosure of Loan-Level Home Mortgage Disclosure Act (HMDA) Data¹⁷ (December 2018)
- Advance Notice of Proposed Rulemaking: Residential Property Assessed Clean Energy¹⁸ (March 2019)
- Assessments of Significant Rules pursuant to Section 1022(d) of the Dodd-Frank Act
 - Remittance Rule assessment report¹⁹ (October 2018)
 - Ability to Repay and Qualified Mortgage Rule assessment report²⁰ (January 2019)
 - 2013 Real Estate Settlement Procedures Act (RESPA) Mortgage Servicing Rule assessment report²¹ (January 2019)
- Trial Disclosure Proposed Policy²² (September 2018)
- No-Action Letters and Product Sandbox Proposed Policies²³ (December 2018)

- Start Small, Save Up Initiative²⁴ (February 2019)
- Suspicious Activity Reports on Elder Financial Exploitation²⁵ (February 2019)
- Classroom Activities for Teaching the Building Blocks of Financial Capability²⁶
- Consumer Education (“Ask CFPB”) Milestones
- Your Money, Your Goals (financial empowerment tools and resources)
- Memorandum of Understanding with the Federal Trade Commission²⁷
- Director’s Listening Tour (December 2018–March 2019)
- CFPB Advisory Committees Enhancements
- Guidance Documents²⁸ (bulletins and guidance documents in the last year)
 - Summer 2018 Supervisory Highlights²⁹
 - Winter 2019 Supervisory Highlights³⁰
 - Bulletin 2018-01: Changes to Types of Supervisory Communications³¹
 - Statement on Supervisory Practices regarding Financial Institutions and Consumers Affected by a Major Disaster or Emergency³²
 - Interagency Statement Clarifying the Role of Supervisory Guidance³³
 - Prepaid Account Examination Procedures³⁴
 - Short-Term, Small-Dollar Lending Examination Procedures³⁵
 - TILA Examination Procedures³⁶
 - Electronic Fund Transfer Act (EFTA) Examination Procedures³⁷
 - CFPB Supervision and Examination Process³⁸
 - Examination Report Template³⁹
 - Supervisory Letter Template⁴⁰
 - Examination Scope Summary Template⁴¹

3.4 - Plan for upcoming initiatives:

- Home Mortgage Disclosure Act Data Release⁴² (August 2019)
- Credit Card Market Report⁴³ (August 2019)
- Start Small, Save Up Initiative (ongoing)
- Consumer Complaint Database⁴⁴ (ongoing)
- Misadventures in Money Management (MiMM) for Active Duty Servicemembers⁴⁵ (ongoing)
- Savings Booklet⁴⁶
- Director Stakeholder Engagement⁴⁷ (ongoing)
- Bureau Symposia Series⁴⁸ (ongoing)
- Guidance Documents (ongoing)
 - Equal Credit Opportunity Act (ECOA) Baseline Review Examination Procedures⁴⁹
 - HMDA Examination Procedures⁵⁰
 - Statement on Collection of Demographic Information by Community Development Financial Institutions⁵¹
 - Automobile Finance Examination Procedures⁵²
 - Summer 2019 Supervisory Highlights⁵³
 - Annual Report to Congress on TILA, the Electronic Fund Transfer Act (EFTA), and the Credit Card Accountability Responsibility and Disclosure (CARD Act)⁵⁴

3.5 - Plan for upcoming rules:

The Bureau published its Spring 2019 Rulemaking Agenda as part of the Spring 2019 Unified Agenda of Federal Regulatory and Deregulatory Actions, which is coordinated by the Office of Management and Budget.⁵⁵ As an independent regulatory agency, the Bureau voluntarily participates in the Unified Agenda. The Unified Agenda lists the regulatory matters that the Bureau reasonably anticipates having under consideration during the period from May 1, 2019, to April 30, 2020.⁵⁶

The Bureau is considering further prioritization and planning of the Bureau's rulemaking activities, both with regard to substantive projects and modifications to the processes that the Bureau uses to develop and review regulations. The Bureau expects the Fall 2019 Agenda to issue a more comprehensive statement of priorities to reflect ongoing statutorily mandated market monitoring and the Bureau's other activities discussed in the Report.

During the reporting period, the Bureau was engaged in a number of rulemakings to implement directives mandated in the Economic Growth, Regulatory Relief, and Consumer Protection Act of 2018 (EGRRCPA), the Dodd-Frank Act, and other statutes. As part of these rulemakings, the Bureau is working to achieve the consumer protection objectives of the statutes while minimizing regulatory burden on financial services providers, including through facilitating industry compliance with rules.

Pre-rulemaking initiatives, as reflected in the Bureau's Spring 2019 Unified Agenda:

- Equal Credit Opportunity Act (Regulation B) Business Lending Data Collection and Reporting Requirements
- Remittance Transfers⁵⁷
- Home Mortgage Disclosure Act (Regulation C) Data Collection and Reporting Requirements⁵⁸

Proposed rules for the upcoming period, as reflected in the Bureau's Spring 2019 Unified Agenda:

- Debt Collection Rule⁵⁹
- Home Mortgage Disclosure Rule (Regulation C)⁶⁰
- Public Release of Home Mortgage Disclosure Act Data⁶¹

Final rules for the upcoming period as reflected in the Bureau's Spring 2019 Unified Agenda:

- Payday, Vehicle Title, and Certain High-Cost Installment Loans; Delay of Compliance Date⁶²
- The Expedited Funds Availability Act (Regulation CC) (EFA Act)⁶³

4. Analysis of complaints about consumer financial products or services that the Bureau has received and collected in its central database on complaints during the preceding year

The Bureau's Office of Consumer Response analyzes consumer complaints, company responses, and consumer feedback to assess the accuracy, completeness, and timeliness of company responses. The Bureau uses insights gathered from complaint data to scope and prioritize examinations and ask targeted questions when examining companies' records and practices to help understand problems consumers are experiencing in the marketplace, to provide access to information about financial topics and opportunities to build skills in money management that can help consumers avoid future problems, and to inform enforcement investigations to help stop unfair, deceptive or abusive practices.

During the period April 1, 2018, through March 31, 2019, the Bureau received approximately 321,200 consumer complaints.⁶⁴ This was an approximate two percent decrease from the prior reporting period.⁶⁵ Consumers submitted approximately 82 percent of these complaints through the Bureau's website and five percent via telephone calls. Referrals from other state and Federal agencies accounted for eight percent of complaints. Consumers submitted the remainder of complaints by mail, email, and fax. The Bureau does not verify all of the facts alleged in complaints but takes steps to confirm a commercial relationship between the consumer and the company. During this time period the Bureau sent approximately 257,300 (or 80 percent) of complaints received to companies for review and response.⁶⁶ Companies responded to approximately 95 percent of complaints that the Bureau sent to them for response during the period. The remaining complaints were either pending response from the company at the end of the period or did not receive a response.

The Bureau also publishes the *Consumer Response Annual Report*,⁶⁷ which provides a more detailed analysis of complaints. A detailed chart breaking down the complaints received by type is included in that Report, along with a discussion about how we use and apply the data.

5. Public supervisory and enforcement actions to which the Bureau was a party during the preceding year

The Bureau's supervisory activities with respect to individual institutions are non-public. The Bureau has, however, issued numerous supervisory guidance documents and bulletins as described in the Report.

The Report also outlines a range of public enforcement actions from April 1, 2018, through March 31, 2019, detailed in descending chronological order by filing or issue date. This section also identifies those actions involving Office of Administrative Adjudication Orders with respect to covered persons that are not credit unions or depository institutions.

6. *Actions taken regarding rules, orders, and supervisory actions with respect to covered persons which are not credit unions or depository institutions*

The Bureau's *Supervisory Highlights* publications provide general information about the Bureau's supervisory activities at banks and nonbanks without identifying specific companies. Between April 1, 2018, and March 31, 2019, the Bureau published two issues of *Supervisory Highlights*. All public enforcement actions are listed in Section 5.2 of the Report, and actions taken with respect to covered persons which are not credit unions or depository institutions are noted with the summary of the action.

7. *Assessment of significant actions by State attorneys general or State regulators relating to Federal consumer financial law*

For purposes of Dodd-Frank Section 1016(c)(7) reporting requirement, the Bureau has determined that any actions asserting claims pursuant to Section 1042 of the Dodd-Frank Act are "significant." The Bureau is unaware of any State actions asserting Dodd-Frank Act claims that were initiated during the April 1, 2018, through March 31, 2019 reporting period.

8. *Analysis of the efforts of the Bureau to fulfill the fair lending mission of the Bureau*

The Report provides an update on the Bureau's work to fulfill requirements mandated by the Dodd-Frank Act related to fair lending, noting highlights from the Bureau's fair lending enforcement⁶⁸ and rulemaking⁶⁹ activities from April 1, 2018, through March 31, 2019. We continued our efforts to fulfill the fair lending mission of the Bureau through supervision, interagency coordination, and outreach in the period October 1, 2018, through March 31, 2019.

8.1 - Fair lending supervision:

The Bureau's Fair Lending Supervision program assesses compliance with Federal fair lending consumer financial laws and regulations at banks and nonbanks over which the Bureau has supervisory authority. As a result of the Bureau's efforts to fulfill its fair lending mission in this reporting period, the Bureau's Fair Lending Supervision program initiated 10 supervisory events at financial institutions under the Bureau's jurisdiction to determine compliance with Federal laws intended to ensure the fair, equitable, and nondiscriminatory access to credit for both individuals and communities, including the ECOA and HMDA. For exam reports issued by Supervision during the reporting period, the most frequently cited violations were:

- Section 1003.4(a): Failure by a financial institution to collect and accurately report data regarding applications for covered loans that it receives, originates, or purchases in a calendar year, or, failure to collect and accurately report data regarding certain requests under a preapproval program in a calendar year; and
- Section 1002.12(b)(1)(i): Failure to create and preserve records and other documents required by the regulation.

In the current reporting period, the Bureau initiated 10 supervisory events, which is fewer than the 13 fair lending supervisory events reported as initiated during the reporting period reflected

in the Fall 2018 Semi-Annual Report.⁷⁰ In the current reporting period, the Bureau issued fewer matters requiring attention (MRAs) or memoranda of understanding (MOUs) than in the prior period. MRAs and MOUs direct entities to take corrective actions and are monitored by the Bureau through follow-up supervisory events. Consistent with BCFP Bulletin 2018-01,⁷¹ the Bureau issues Supervisory Recommendations (SRs) to address supervisory concerns related to financial institutions' compliance management systems. SRs do not include provisions for periodic reporting nor expected timelines for implementation. During the current reporting period, the Bureau provided SRs relating to supervisory concerns related to weak or nonexistent fair lending risk assessments and/or fair lending training.

8.2 - Fair lending enforcement:⁷²

The Bureau has the statutory authority to bring actions to enforce the requirements of HMDA and ECOA. In this regard, the Bureau has the authority to engage in research, conduct investigations, file administrative complaints, hold hearings, and adjudicate claims through the Bureau's administrative enforcement process. The Bureau also has independent litigating authority and can file cases in Federal court alleging violations of fair lending laws under the Bureau's jurisdiction. Like other Federal bank regulators, the Bureau is required to refer matters to the U.S. Department of Justice (DOJ) when it has reason to believe that a creditor has engaged in a pattern or practice of lending discrimination.⁷³

During the reporting period, the Bureau did not initiate or complete any fair lending public enforcement actions. In addition, during this reporting period,⁷⁴ the Bureau did not refer any matters to the DOJ with regard to discrimination pursuant to Section 706(g) of ECOA. During the reporting period, the Bureau continued to implement and oversee compliance with the pending public enforcement orders that were entered by Federal courts or issued by the Bureau's Director in prior years.

8.3 - Fair lending outreach:

The Bureau is committed to hearing from and communicating directly with stakeholders. The Bureau regularly engages in outreach with Bureau stakeholders, including consumer advocates, civil rights organizations, industry, academia, and other government agencies, to: (1) educate them about fair lending compliance and access to credit issues, and (2) hear their views on the Bureau's work to inform the Bureau's policy decisions. Outreach is accomplished through meetings and the delivery of speeches and presentations addressing fair lending and access to credit issues as well as issuance of Reports to Congress, Interagency Statements, *Supervisory Highlights*, Compliance Bulletins, letters and blog posts, as well as through meetings and the delivery of speeches and presentations addressing fair lending and access to credit issues. During the reporting period, Bureau staff participated in twenty-one (21) outreach events involving fair lending and access to credit issues.

8.4 - Fair lending coordination:

The Bureau's fair lending activity involves regular coordination with other Federal and state regulatory and enforcement partners. During the reporting period, Office of Fair Lending and Equal Opportunity (OFLEO) staff continued to lead the Bureau's fair lending interagency coordination and collaboration efforts by working with partners on the Interagency Working

Group on Fair Lending Enforcement, and chairing the Interagency Task Force on Fair Lending and the Federal Financial Institutions Examination Council (FFIEC) HMDA Data Collection Subcommittee.

9. Analysis of the efforts of the Bureau to increase workforce and contracting diversity consistent with the procedures established by the Office of Minority and Women Inclusion (OMWI)

The Bureau issued the Annual Report of OMWI activities on April 3, 2019.⁷⁵ Throughout the reporting period the Bureau continued executing on objectives and strategies outlined in the Bureau of Consumer Financial Protection Strategic Plan FY 2018–2022,⁷⁶ which complements and reinforces the Diversity and Inclusion Strategic Plan 2016–2020. The Bureau began developing a Diversity and Inclusion Strategic Plan Update in March, which was published in July.⁷⁷

As of March 2019, an analysis of the Bureau’s current workforce reveals the following key points:

- Women represent 49 percent of the Bureau’s 2019 workforce with no change from 2018;
- Minorities (Hispanic, Black, Asian, Native Hawaiian/Other Pacific Islander (NH/OPI), American Indian/Alaska Native (AI/AN) and employees of two or more races) represent 40 percent of the Bureau workforce in 2019 with no change from 2018; and
- As of March 31, 2019, 12.7 percent of Bureau employees on permanent appointments identified as an individual with a disability. Out of the permanent workforce, 3.4 percent of employees identified as an individual with a targeted disability. As a result, the Bureau continues to exceed the 12 percent workforce goals for employees with disabilities and 2.0 percent for employees with targeted disabilities—in both salary categories, as required in the EEOC’s Section 501 regulations.

The Bureau seeks to increase diversity through efforts in recruiting and workforce engagement. During the reporting period, the Bureau was under a hiring freeze.⁷⁸ However, the Bureau onboarded nine (9) hiring exceptions, including six (6) women and four (4) minorities. The Bureau also utilized the student volunteer internship program, other professional development programs, and recruitment efforts directed to reach veterans and applicants with disabilities. To promote an inclusive work environment, the Bureau focuses on strong engagement with employees and utilizes an integrated approach to education, training, and engagement programs that ensures diversity and inclusion from non-discrimination concepts are part of the learning curriculum and work environment. Employee resource groups, cultural education programs, and diversity and inclusion training are key components of this effort.

The Bureau’s Diversity and Inclusion Strategic Plan describes our efforts to increase contracting opportunities for diverse businesses including Minority-owned and Women-Owned Businesses (MWOBs). The Bureau’s OMWI and Procurement offices collectively work to increase opportunities for participation by MWOBs. These efforts include actively engaging Bureau business units with MWOB contractors throughout the acquisition cycle, developing a ‘How to Do Business with the CFPB’ series and a supplier diversity guide. These resources are available on the Bureau’s website.

Additionally, in the reporting period, the Bureau participated in four (4) national supplier diversity conferences that help to foster business partnerships between the Federal government, its U.S. prime contractors, minority-owned businesses, and advocacy for women business owners and entrepreneurs. As a result of these efforts, 36.7 percent of the \$49 million in contracts that the Bureau awarded or obligated during the reporting period went to MWOBs. In accordance with the mandates in Section 342(c)(2) OMWI has developed Good Faith Effort (GFE) standards for the collection and assessment of documentation of contractor's workforce and subcontractor diversity practices. These standards were updated in FY 2019 to better align with Federal Acquisition Regulations. The GFE clause has been included in all CFPB contracts since FY 2018.

Legislative Reform

Chairwoman Waters, in your invitation letter, you asked that I identify any legislative reforms needed to better protect consumers. I know that Servicemembers and military families matter greatly to all of you just as they do to me. Earlier this year, the Bureau requested that Congress provide us with clear legal authority to supervise financial institutions for MLA compliance, and we transmitted proposed legislative language that would achieve this goal. I stand ready to work with members of this Committee to provide us with this authority to assist the Bureau's ongoing efforts to prevent harm to our servicemembers and their families.

Taskforce on Federal Consumer Financial Law

Last week the Bureau announced the will establish a taskforce to examine ways to harmonize and modernize federal consumer financial laws. The Taskforce on Federal Consumer Financial Law will produce new research and legal analysis of consumer financial laws in the United States, focusing specifically on harmonizing, modernizing, and updating the enumerated consumer credit laws—and their implementing regulations—and identifying gaps in knowledge that should be addressed through research, ways to improve consumer understanding of markets and products, and potential conflicts or inconsistencies in existing regulations and guidance. I believe that a logical and important part of the Bureau's maturation is to evaluate how best to harmonize these laws to ensure their efficient operation for the benefit of consumers.

The Bureau is currently accepting applications from individuals who are interested in serving on the taskforce. The members will have a broad range of expertise in the areas of consumer protection and consumer financial products or services; significant expertise in analyzing consumer financial markets, laws, and regulations; and a demonstrated record of senior public or academic service.

Conclusion

Since my confirmation, I have met with more than 800 stakeholders in the realm of consumer protection. This outreach is exceptionally valuable in building productive relationships and to hear the fullest possible range of insight and perspective. Building on my March testimony, I remain committed to strengthening the Bureau's ability to use all of the tools provided by Congress to protect consumers. Factoring in all of the input and counsel that I have received, I

remain resolved that the most productive use of Bureau resources is to be focused on preventing harm to consumers. Empowering consumers to protect and further their own interests must be at the core of our mission. I have established and communicated clear priorities to Bureau staff for our work using the authorities provided by Congress. The Bureau's mission is to ensure access to fair, transparent, and competitive markets for consumers. We will work to execute this mandate through: 1) providing "clear rules of the road" to make clear what is lawful and unlawful behavior; and, 2) using supervision to foster a "culture of compliance" and as an opportunity to prevent violations: 3) vigorous enforcement; and 4) robust education efforts that empower consumers to make the best possible financial decisions.

Thank you again for the opportunity to present this Semi-Annual Report of the Bureau's work in support of American consumers.

¹ One recent study of the economic effects of natural disasters on consumers and households estimates that checking account inflows fall by 20 percent and outflows fall by more than 30 percent after a natural disaster. See J. P. Morgan Chase & Co. Institute (2018), "Weathering the Storm: The Financial Impacts of Hurricanes Harvey and Irma on One Million Households." Available at <https://institute.jpmorganchase.com/institute/research/cities-local-communities/report-weathering-the-storm>. Another study finds a general increase in consumers' credit utilization after an event and, for some groups, an increase in bankruptcies. See Tran, B. and T. Sheldon (2018), "Same storm, different disasters: Consumer credit access, income inequality, and natural disaster recovery." Available at <https://www.aeaweb.org/conference/2018/preliminary/paper/KaN3Ar6t>.

² https://files.consumerfinance.gov/f/documents/bcfd_statement-on-supervisory-practices_disaster-emergency.pdf.

³ <https://www.consumerfinance.gov/about-us/blog/effective-financial-education-five-principles-and-how-use-them/>.

⁴ Separate from the Bureau's obligation to include in this report "a list of the significant rules and orders adopted by the Bureau . . . during the preceding year" 12 U.S.C. 5496(c)(3), the Bureau is required to "conduct an assessment of each significant rule or order adopted by the Bureau" under Federal consumer financial law and issue a report of such assessment "not later than 5 years after the effective date of the subject rule or order," 12 U.S.C. 5512(d). The Bureau will issue separate notices, as appropriate, for each rule and order that qualify as significant for assessment purposes; these notices will seek information required by statute and other information to assist the Bureau in the assessment.

⁵ The statutory requirement under 1016(c)(3) calls for the Bureau to report a list of the significant rules and orders adopted by the Bureau. This list includes significant notices of proposed rulemakings.

⁶ <https://www.consumerfinance.gov/policy-compliance/rulemaking/rules-under-development/payday-vehicle-title-and-certain-high-cost-installment-loans/>.

⁷ <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/payday-vehicle-title-and-certain-high-cost-installment-loans-delay-compliance-date-correcting-amendments/>.

⁸ This list includes less significant rules, and it is not comprehensive. This list may exclude non-major rules, proposed rules, procedural rules, and other miscellaneous routine rules such as annual threshold adjustments. More information about the Bureau's rulemaking activities is available in the Unified Agenda at <https://www.reginfo.gov/public/>, and on the Bureau's public website at <https://www.consumerfinance.gov/policy-compliance/rulemaking/>.

⁹ <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/federal-mortgage-disclosure-requirements-under-truth-lending-act-regulation-z/>.

¹⁰ <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/amendment-annual-privacy-notice-requirement-under-gramm-leach-bliley-act/>.

¹¹ <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/partial-exemptions-from-requirements-of-home-mortgage-disclosure-act-under-regulation-c/>.

¹² <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/summaries-rights-under-fair-credit-reporting-act-regulation-v/>.

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- ¹³ <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/home-mortgage-disclosure-regulation-c-adjustment-asset-size-exemption-threshold/>.
- ¹⁴ <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/truth-lending-act-regulation-z-adjustment-asset-size-exemption-threshold/>.
- ¹⁵ <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/civil-penalty-inflation-annual-adjustments/>.
- ¹⁶ <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/technical-specifications-submissions-prepaid-account-agreements-database/>.
- ¹⁷ https://www.consumerfinance.gov/documents/7051/HMDA_Disclosure_FPG_-_Final_12.21.2018_for_website_with_date.pdf.
- ¹⁸ <https://www.consumerfinance.gov/policy-compliance/notice-opportunities-comment/archive-closed/advance-notice-proposed-rulemaking-residential-property-assessed-clean-energy-financing/>.
- ¹⁹ https://www.consumerfinance.gov/documents/7561/bcfp_remittance-rule-assessment_report_corrected_2019-03.pdf.
- ²⁰ https://files.consumerfinance.gov/f/documents/cfpb_ability-to-repay-qualified-mortgage_assessment-report.pdf.
- ²¹ https://files.consumerfinance.gov/f/documents/cfpb_mortgage-servicing-rule-assessment_report.pdf.
- ²² <https://www.consumerfinance.gov/policy-compliance/notice-opportunities-comment/archive-closed/policy-encourage-trial-disclosure-programs/>.
- ²³ <https://www.consumerfinance.gov/policy-compliance/notice-opportunities-comment/archive-closed/policy-no-action-letters-and-bcfp-product-sandbox/>.
- ²⁴ <https://www.consumerfinance.gov/start-small-save-up/>.
- ²⁵ <https://www.consumerfinance.gov/data-research/research-reports/suspicious-activity-reports-elder-financial-exploitation-issues-and-trends/>.
- ²⁶ <https://www.consumerfinance.gov/practitioner-resources/youth-financial-education/teach/activities/>.
- ²⁷ https://files.consumerfinance.gov/f/documents/cfpb_ftc_memo-of-understanding_2019-02.pdf.
- ²⁸ The Bureau posts many documents relating to compliance and guidance on its website at <https://www.consumerfinance.gov/policy-compliance/guidance/>.
- ²⁹ https://consumerfinance.gov/f/documents/bcfp_supervisory-highlights_issue-17_2018-09.pdf.
- ³⁰ https://files.consumerfinance.gov/f/documents/cfpb_supervisory-highlights_issue-18_032019.pdf.
- ³¹ https://files.consumerfinance.gov/f/documents/bcfp_bulletin-2018-01_changes-to-supervisory-communications.pdf.
- ³² https://files.consumerfinance.gov/f/documents/bcfp_statement-on-supervisory-practices_disaster-emergency.pdf.
- ³³ https://files.consumerfinance.gov/f/documents/interagency-statement_role-of-supervisory-guidance.pdf.
- ³⁴ https://files.consumerfinance.gov/f/documents/cfpb_supervision-and-examination-manual_prepaid-account-exam-procedures.pdf.
- ³⁵ https://files.consumerfinance.gov/f/documents/cfpb_payday_manual_revisions.pdf.
- ³⁶ https://files.consumerfinance.gov/f/documents/cfpb_supervision-and-examination-manual_tila-exam-procedures_2019-03.pdf.
- ³⁷ https://files.consumerfinance.gov/f/documents/cfpb_supervision-and-examination-manual_efta-exam-procedures-incl-remittances_2019-03.pdf.
- ³⁸ https://files.consumerfinance.gov/f/documents/cfpb_examination-process-section.pdf.
- ³⁹ https://files.consumerfinance.gov/f/documents/cfpb_examination-report_template.pdf.

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- 40 https://files.consumerfinance.gov/f/documents/cfpb_supervision-and-examination-manual_supervisory-letter_template.pdf.
- 41 https://files.consumerfinance.gov/f/documents/201703_cfpb_Scope-Summary-Template.pdf
- 42 Additional activity has occurred with this matter since the end of this reporting period. On August 30, 2019, the Bureau released the Home Mortgage Disclosure Act (HMDA) data along with two Data Point articles. One Data Point article is the second in an annual series of Bureau articles describing mortgage market activity over time. It summarizes the historical data points in the 2018 HMDA data, as well as recent trends in mortgage and housing markets. The other Data Point article introduces the new and revised data points in the 2018 HMDA data and provides some initial observations about the nation's mortgage market in 2018 based on those new or revised data points. More information can be found here: <https://www.consumerfinance.gov/data-research/research-reports/data-point-2018-mortgage-market-activity-and-trends/> and <https://www.consumerfinance.gov/data-research/research-reports/introducing-new-revised-data-points-hmda/>.
- 43 Additional activity has occurred with this matter since the end of this reporting period. More information can be found here: https://files.consumerfinance.gov/f/documents/cfpb_consumer-credit-card-market-report_2019.pdf.
- 44 Additional activity has occurred with this matter since the end of this reporting period. More information can be found here: <https://www.consumerfinance.gov/about-us/newsroom/director-kraningers-speech-national-consumer-empowerment-conference/>.
- 45 Additional activity has occurred with this matter since the end of this reporting period. Misadventures in Money Management (MiMM) became available for all active duty Servicemembers on May 23, 2019.
- 46 Additional activity has occurred with this matter since the end of this reporting period. More information can be found here: <https://www.consumerfinance.gov/about-us/blog/start-saving-today-our-new-savings-booklet-and-email-boot-camp/>.
- 47 More than 700 meetings with consumers, staff, and stakeholders have occurred. Remarks provided to the Bipartisan Policy Center, Washington DC on April 17, 2019, are provided through this link: <https://www.consumerfinance.gov/about-us/newsroom/kathleen-kraninger-director-consumer-financial-protection-bureau-bipartisan-policy-center-speech/> <https://www.consumerfinance.gov/about-us/newsroom/kathleen-kraninger-director-consumer-financial-protection-bureau-bipartisan-policy-center-speech/>.
- 48 Additional activity has occurred with this matter since the end of this reporting period. More information can be found here: <https://www.consumerfinance.gov/about-us/newsroom/bureau-announces-symposia-series/>.
- 49 Additional activity has occurred with this matter since the end of this reporting period. More information can be found here: https://files.consumerfinance.gov/f/documents/cfpb_supervision-and-examination-manual_ecoa-baseline-exam-procedures_2019-04.pdf.
- 50 Additional activity has occurred with this matter since the end of this reporting period. More information can be found here: https://files.consumerfinance.gov/f/documents/cfpb_supervision-and-examination-manual_hmda-exam-procedures_2019-04.pdf.
- 51 Additional activity has occurred with this matter since the end of this reporting period. More information can be found here: https://files.consumerfinance.gov/f/documents/20190627_cfpb_statement-on-collection-demographic-information.pdf.
- 52 Additional activity has occurred with this matter since the end of this reporting period. More information can be found here: https://files.consumerfinance.gov/f/documents/201908_cfpb_automobile-finance-examination-procedures.pdf.
- 53 Additional activity has occurred with this matter since the end of this reporting period. More information can be found here: https://files.consumerfinance.gov/f/documents/cfpb_supervisory-highlights_issue-19_092019.pdf.
- 54 In production at the time of publishing.
- 55 <https://www.consumerfinance.gov/about-us/blog/spring-2019-rulemaking-agenda/>.
- 56 https://www.reginfo.gov/public/do/eAgendaMain?operation=OPERATION_GET_AGENCY_RULE_LIST¤tPub=true&showStage=active&agencyCd=3170.

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- ⁵⁷ A d d i t i o n a l a c t i v i t y h a s o c c u r r e d w i t h t h i s m a t t e r s i n c e t h e e n d o f t h i s r e p o r t i n g p e r i o d . I n A p r i l , t h e B u r e a u i s s u e d a R e q u e s t f o r I n f o r m a t i o n (R F I) o n t h e R e m i t t a n c e R u l e s e e k i n g c o m m e n t s o n m e a s u r e s t o c o n s i d e r a d o p t i n g t o a d d r e s s t h e e x p i r a t i o n i n J u l y 2 0 2 0 o f t h e R u l e ' s t e m p o r a r y e x c e p t i o n . M o r e i n f o r m a t i o n c a n b e f o u n d h e r e : <https://www.consumerfinance.gov/about-us/newsroom/cfbp-issues-request-information-remittance-rule/>.
- ⁵⁸ A d d i t i o n a l a c t i v i t y h a s o c c u r r e d w i t h t h i s m a t t e r s i n c e t h e e n d o f t h i s r e p o r t i n g p e r i o d . I n M a y 2 0 1 9 , t h e B u r e a u i s s u e d a n A d v a n c e N o t i c e o f P r o p o s e d R u l e m a k i n g (A N P R) t h a t s o l i c i t s c o m m e n t s a b o u t t h e c o s t s a n d b e n e f i t s o f c o l l e c t i n g a n d r e p o r t i n g t h e d a t a p o i n t s t h e 2 0 1 5 H M D A R u l e a d d e d t o R e g u l a t i o n C a n d c e r t a i n p r e e x i s t i n g d a t a p o i n t s t h a t t h e 2 0 1 5 H M D A R u l e r e v i s e d . I n J u n e , t h e B u r e a u e x t e n d e d t h e c o m m e n t p e r i o d . M o r e i n f o r m a t i o n c a n b e f o u n d h e r e : <https://www.consumerfinance.gov/about-us/newsroom/bureau-proposes-changes-hmda-rules/> a n d <https://www.consumerfinance.gov/about-us/newsroom/bureau-extends-comment-period-anpr-hmda-data-points/>.
- ⁵⁹ A d d i t i o n a l a c t i v i t y h a s o c c u r r e d w i t h t h i s m a t t e r s i n c e t h e e n d o f t h i s r e p o r t i n g p e r i o d . I n M a y 2 0 1 9 , t h e B u r e a u i s s u e d a N o t i c e o f P r o p o s e d R u l e m a k i n g (N P R M) t o a d d r e s s s u c h i s s u e s a s c o m m u n i c a t i o n p r a c t i c e s a n d c o n s u m e r d i s c l o s u r e s . M o r e i n f o r m a t i o n c a n b e f o u n d h e r e : <https://www.consumerfinance.gov/policy-compliance/rulemaking/rules-under-development/debt-collection-practices-regulation-f/>.
A d d i t i o n a l N o t e : T h e N P R M p r o v i d e d a 9 0 - d a y c o m m e n t p e r i o d t h a t w a s s e t t o c l o s e o n A u g u s t 1 9 , 2 0 1 9 . T o a l l o w i n t e r e s t e d p e r s o n s m o r e t i m e t o c o n s i d e r a n d s u b m i t t h e i r c o m m e n t s , t h e B u r e a u d e t e r m i n e d t h a t a n e x t e n s i o n o f t h e c o m m e n t p e r i o d u n t i l S e p t e m b e r 1 8 , 2 0 1 9 , w a s a p p r o p r i a t e .
- ⁶⁰ A d d i t i o n a l a c t i v i t y h a s o c c u r r e d w i t h t h i s m a t t e r s i n c e t h e e n d o f t h i s r e p o r t i n g p e r i o d . I n M a y 2 0 1 9 , t h e B u r e a u i s s u e d a N o t i c e o f P r o p o s e d R u l e m a k i n g t o i n c r e a s e t h e t h r e s h o l d s f o r r e p o r t i n g d a t a a b o u t c l o s e d - e n d m o r t g a g e l o a n s a n d o p e n - e n d l i n e s o f c r e d i t . M o r e i n f o r m a t i o n c a n b e f o u n d h e r e : <https://www.consumerfinance.gov/policy-compliance/rulemaking/rules-under-development/home-mortgage-disclosure-regulation-c/>.
- ⁶¹ P o l i c y g u i d a n c e w a s i s s u e d i n D e c e m b e r 2 0 1 8 . T h e B u r e a u a n n o u n c e d i n t h a t g u i d a n c e i t s i n t e n t i o n t o c o n d u c t a n o t i c e - a n d - c o m m e n t r u l e m a k i n g t o s e e k i n p u t o n t h e p u b l i c r e l e a s e o f d a t a g o i n g f o r w a r d ; t h a t p r o p o s a l h a s n o t y e t b e e n i s s u e d .
- ⁶² A d d i t i o n a l a c t i v i t y h a s o c c u r r e d w i t h t h i s m a t t e r s i n c e t h e e n d o f t h i s r e p o r t i n g p e r i o d . <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/payday-vehicle-title-and-certain-high-cost-installment-loans-delay-compliance-date-correcting-amendments/>.
- ⁶³ <https://www.consumerfinance.gov/about-us/newsroom/agencies-issue-final-amendments-regulation-cc-regarding-funds-availability/>. T h i s R u l e w a s f i n a l i z e d a f t e r t h e r e p o r t i n g p e r i o d (J u n e 2 0 1 9) .
- ⁶⁴ A l l d a t a a r e c u r r e n t t h r o u g h M a r c h 3 1 , 2 0 1 9 . T h i s a n a l y s i s e x c l u d e s m u l t i p l e c o m p l a i n t s s u b m i t t e d b y a g i v e n c o n s u m e r o n t h e s a m e i s s u e a n d w h i s t l e b l o w e r t i p s . T h e B u r e a u d o e s n o t v e r i f y a l l t h e f a c t s a l l e g e d i n c o m p l a i n t s , b u t t a k e s s t e p s t o c o n f i r m a c o m m e r c i a l r e l a t i o n s h i p b e t w e e n t h e c o n s u m e r a n d t h e c o m p a n y . F o r m o r e i n f o r m a t i o n o n o u r c o m p l a i n t p r o c e s s , p l e a s e r e f e r t o t h e B u r e a u ' s w e b s i t e , <https://www.consumerfinance.gov/complaint/process>.
- ⁶⁵ T h e p r i o r r e p o r t i n g p e r i o d — w h i c h s p a n n e d O c t o b e r 1 , 2 0 1 7 , t o S e p t e m b e r 3 0 , 2 0 1 8 — r e p o r t e d 3 2 9 , 0 0 0 c o n s u m e r c o m p l a i n t s . S e e C o n s u m e r F i n . P r o t . B u r e a u , S e m i - A n n u a l R e p o r t F a l l 2 0 1 8 (F e b . 2 0 1 9) , a v a i l a b l e a t https://www.consumerfinance.gov/documents/7266/cfbp_semi-annual-report-to-congress_fall-2018.pdf.
- ⁶⁶ T h e B u r e a u r e f e r r e d 1 4 p e r c e n t o f t h e c o m p l a i n t s i t r e c e i v e d t o o t h e r r e g u l a t o r y a g e n c i e s a n d f o u n d f o u r p e r c e n t t o b e i n c o m p l e t e . A t t h e e n d o f t h i s p e r i o d , 0 . 5 p e r c e n t o f c o m p l a i n t s w e r e p e n d i n g w i t h t h e c o n s u m e r a n d 0 . 6 p e r c e n t w e r e p e n d i n g w i t h t h e B u r e a u . N o t e : P e r c e n t a g e s i n t h i s s e c t i o n o f t h e r e p o r t m a y n o t s u m t o 1 0 0 p e r c e n t d u e t o r o u n d i n g .
- ⁶⁷ T h e s e r e p o r t s c a n b e v i e w e d a t : <https://www.consumerfinance.gov/data-research/research-reports/>.
- ⁶⁸ D o d d - F r a n k A c t § 1 0 1 6 (c) (5) .
- ⁶⁹ D o d d - F r a n k A c t § 1 0 1 6 (c) (3) . T h e B u r e a u ' s f a i r l e n d i n g r u l e m a k i n g a c t i v i t y p e r t a i n i n g t o H M D A a n d R e g u l a t i o n C i s d i s c u s s e d i n S e c t i o n 3 o f t h e R e p o r t .
- ⁷⁰ T h e B u r e a u i s u s i n g a n e w m e a s u r e t o i d e n t i f y t h e n u m b e r o f o n - s i t e s u p e r v i s i o n e x a m s o r r e v i e w s . S e e [Fiscal Year \(FY\) 2019 Annual Performance Plan \(February 2019\)](#). T h e S p r i n g 2 0 1 9 S e m i - A n n u a l R e p o r t u p d a t e c o m p l i e s w i t h t h i s n e w m e a s u r e . T h e r e f o r e , t h e n u m b e r o f i n i t i a t e d e x a m i n a t i o n e v e n t s r e p o r t e d h e r e i s n o t c o m p a r a b l e t o t h e

number of events reported in the Fall 2018 Semi-Annual Report. For comparison purposes, had the Bureau employed this new measure for initiated supervisory exams for the reporting period reflected in the Fall 2018 Semi-Annual Report, which indicated that the Bureau initiated 13 fair lending supervisory events, would instead have indicated that the Bureau had initiated 12 fair lending supervisory events.

⁷¹ https://files.consumerfinance.gov/f/documents/bcfp_bulletin-2018-01_changes-to-supervisory-communications.pdf.

⁷² Section 1016(c)(5) of the Dodd-Frank Act requires the Bureau to include in the semi-annual report public enforcement actions the Bureau was a party to during the preceding year, which is April 1, 2018, through March 31, 2019, for this report.

⁷³ See 15 U.S.C. § 1691e(h) and 15 U.S.C § 1691e(g) and (h).

⁷⁴ April 1, 2018, through March 31, 2019.

⁷⁵ <https://www.consumerfinance.gov/data-research/research-reports/fy-2018-office-minority-and-women-inclusion-annual-report-congress/>.

⁷⁶ www.consumerfinance.gov/about-us/budget-strategy/strategic-plan.

⁷⁷ Additional activity has occurred with this matter since the end of this reporting period. More information can be found here: <https://www.consumerfinance.gov/data-research/research-reports/cfpb-diversity-and-inclusion-strategic-plan-update-2019-2022/>.

⁷⁸ Additional activity has occurred with this matter since the end of this reporting period. The hiring freeze was lifted in August 2019.