



VENABLE

Consumer Financial Services 2017 Outlook: Post-Inauguration Day Insights

January 24, 2017, 2:00 pm – 3:30 pm ET

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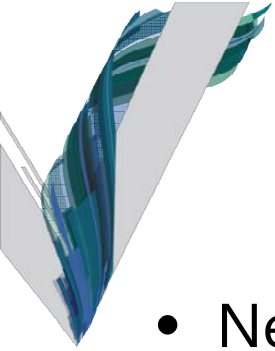
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Themes We Will Cover Today

- New Congress and President: Prospects for Reform
- CFPB Challenges
- Regulatory Outlook
- Innovation and Investments
- Supervision and Examinations
- Enforcement
- Questions and Closing Observations



New Congress and President Trump: Prospects for Reform



Overview of the Political and Legislative Landscape

Key House Leadership

Speaker of the House



Rep. Paul Ryan (R-WI)

Republican Majority Leaders



Left: Kevin McCarthy (House of Representatives),
Right: Steve Scalise (Majority Whip)

DEMOCRATIC MINORITY LEADERS



Left: Nancy Pelosi (House of Representatives),
Right: Steny Hoyer (Minority Whip)

Key Senate Leadership

Republicans



Left to right: Majority Whip Rep. John Cornyn (R-TX)
and Majority Leader Rep. Mitch McConnell (R-KY)

Democrats

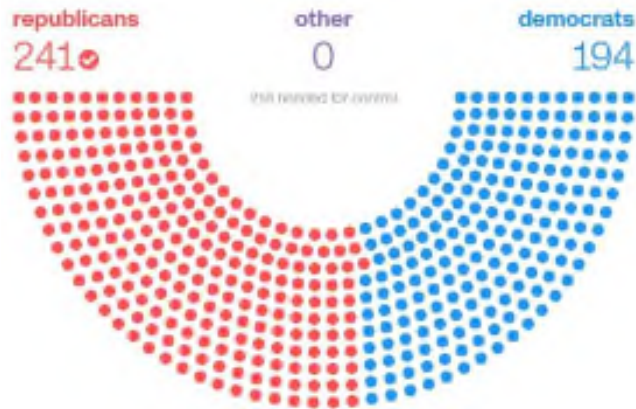


Left to right: Minority Leader Rep. Chuck Schumer (D-NY)
and Minority Whip Rep. Dick Durbin (D-IL)

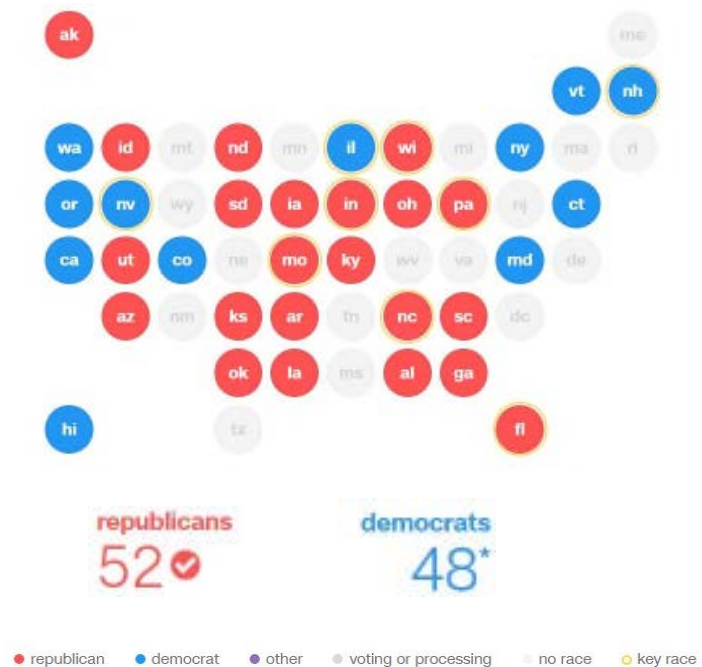
Source: The New York Times

Overview of the Political and Legislative Landscape

House Elections – GOP Retains Control



Senate Elections – GOP Retains Control



Source: The New York Times

Key Congressional Players

Financial Services:

House Financial Services Committee



Rep. Maxine Waters (D-CA)
Ranking

Rep. Jeb Hensarling (R-TX)
Chair

Senate Banking Committee



Senator Sherrod Brown (D-OH)
Ranking



Senator Mike Crapo (R-ID)
Chair

Tax:

House Ways and Means



Rep. Kevin Brady (R-TX)
Chairman of Ways and Means



Rep. Richard Neal (D-MA)
Ranking Member

Senate Finance Committee























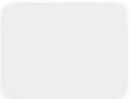


Rep. Orrin G. Hatch (R-UT)
Chair



Rep. Ron Wyden (D-OR)
Ranking Member

President Trump's Cabinet

Defense  James N. Mattis <i>Confirmed</i>	Homeland Security  John F. Kelly <i>Confirmed</i>	C.I.A.  Mike Pompeo <i>Confirmed</i>	Atty. General  Jeff Sessions	State  Rex W. Tillerson	Transportation  Elaine L. Chao
Housing  Ben Carson	Interior  Ryan Zinke	Education  Betsy DeVos	U.N.  Nikki R. Haley	Health  Tom Price	E.P.A.  Scott Pruitt
Commerce  Wilbur Ross	Treasury  Steven Mnuchin	Energy  Rick Perry	Small Business  Linda McMahon	O.M.B.  Mick Mulvaney	Labor  Andrew F. Puzder
D.N.I.  Dan Coats	U.S. Trade Rep.  Robert Lighthizer	Agriculture  Sonny Perdue	Veterans  David J. Shulkin	C.E.A. 	

These appointments require Senate confirmation

Updated 1/23/17




Trump's Key Conceptual Framework

"From this moment on, it's going to be America First. Every decision on trade, on taxes, on immigration, on foreign affairs, will be made to benefit American workers and American families. We must protect our borders from the ravages of other countries making our products, stealing our companies, and destroying our jobs. Protection will lead to great prosperity and strength. I will fight for you with every breath in my body – and I will never, ever let you down. America will start winning again, winning like never before. We will bring back our jobs."

- Jobs: Create new jobs, or bring them back onshore.
- Save money for working-class families.
- Create opportunities for economic advancement.
- Reduce government regulation and the costs of doing business.





Executive Actions President Trump Pledged to Take: 1st 100 days

1. Affordable Care Act (Executive Order)

Directs agencies to “minimize the unwarranted economic and regulatory burdens of the Act”

2. Federal Government Hiring Freeze (Presidential Memorandum)

Caps number of federal employees to those in place as of Jan. 22, 2017

3. Withdrawal from TPP (Presidential Memorandum)

Withdrawal from TPP and establishment of policy in favor of bilateral agreements for future trade deals.

4. Mexico City Policy Reinstatement (Presidential Memorandum)

Prohibits funding for int’l organizations that support “abortion as a method of family planning in other nations” “program[s] of coercive abortion or involuntary sterilization.”

Other Possible Actions:



Immigration

Direct Department of Labor to investigate all abuses of visa programs that undercut American workers



Regulation

Formulate rule that says for every new regulation to be introduced, two old regulations must be eliminated



Energy

Cancel job-killing restrictions on the production of American energy, including shale energy and clean coal, to create millions of high-paying jobs



National Security

Ask Department of Defense and chairman of the Joint Chiefs of Staff to develop a plan to protect America’s infrastructure from cyber attacks and all other forms of attacks



President Trump on Financial Services Issues

On Dodd-Frank:

"We have to get rid of Dodd-Frank. The banks aren't loaning money to people that need it.... The regulators are running the banks."

On Too Big to Fail:

- Does not support "breaking up" big banks
- Glass-Steagall?

Regulatory Reform

- No new regulations until economy shows "significant growth"





115th Congress – Financial Services

Financial Services Policy

- Focus on pro-growth policies
- Nominations: Treasury; Fed Governors; SEC
- **Dodd-Frank Reform**
- JOBS Act
- GSE Reform
- “FinTech”
- DOL Fiduciary Duty reform / repeal
- **CFPB Reform**
- Federal Reserve reform
- **Cybersecurity**
- Sanctions / AML – Iran

Regulatory Reform

SENATE: Federal Regulatory Improvement Act (S. 1484)

HOUSE: Financial CHOICE (H.R. 5983)

Consensus Views and Commonalities:

- “Too Big to Fail” / SIFI / FSOC Changes
- Community bank relief: streamline exams, mortgage rules
- Federal Reserve transparency
- Capital formation for emerging businesses and other JOBS Act



115th Congress – Financial CHOICE Act

The Financial CHOICE Act

Repeal and replacement of the Dodd-Frank Act is a priority for Chairman Hensarling:

- Repeal the Durbin Amendment
- Rollback “Operation Choke Point”: Prohibits a financial regulator to suggest termination of a customer relationship based on reputational risk alone.
- CFPB:
 - Replacing the single director with a five-person board and placing it under the appropriations process.
 - Revising the mission of exclusive consumer protection to include ensuring a “competitive marketplace” – a nod to business interests that parallels similarly situated regulators like the SEC.
 - Removing the “abusive” portion of UDAAP authority.
 - Clarifying the overlapping jurisdictions of FTC and CFPB and resolving in favor of greater FTC deference.

The other legislative priorities for the HFSC: Comprehensive housing finance reform and cybersecurity.



115th Congress – Legislation of Note

Introduced in the 115th Congress

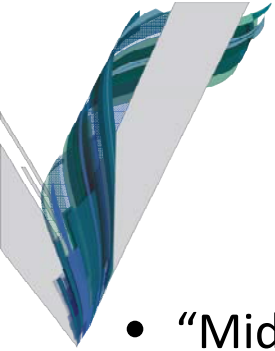
- [S.159](#)* – A bill to terminate Operation Choke.
- [H.R.389](#)* – **Credit Union Residential Loan Parity Act** (excludes a loan secured by a non-owner-occupied 1- to 4-family dwelling from the definition of a member business loan [H.R.402](#)). **To amend the Fair Credit Reporting Act to require the inclusion of credit scores with free annual credit reports provided to consumers, and for other purposes.**
- [H.R.517](#) – **To amend the Real Estate Settlement Procedures Act of 1974 to prohibit certain financial benefits for referrals of business and to improve the judicial relief for certain violations, and for other purposes.**
- [H.R.125](#) – **FHA In-Person Servicing Improvement Act of 2017.**
- [H.R.435](#) – **The Credit Access and Inclusion Act of 2017** (HUD reports certain positive consumer credit information to the credit bureaus).
- Likely re-introduction: [H.R. 5434](#). * – **The Stop Debt Collection Abuse Act of 2016** (amends definitions of debt, debt collector and deems collection of fees outside the original debt an “unfair practice,” with some exceptions).

* Denotes Republican-sponsored legislation.



Tools Available to the Trump Administration

1. Presidential Executive Orders
2. “Midnight regulations” options
3. Disapproval under the Congressional Review Act (for “major” rules only)
4. Appointments and regulatory interpretation
5. Legislative repeal
6. New, deregulatory rulemakings
7. Federal Budget process and appropriations



The Tool Box: Executive Orders, Midnight Rules, *Congressional Review Act*

- “Midnight Rules”
 - Printed as “final” in the *Federal Register*
 - Memorandum: January 20th – Withdraw or stay effective date for rules published.
- *Congressional Review Act*:
 - June 14, 2016 – January 2, 2017
 - “Major” = \$100M impact
 - Self-limiting: 15 session days. 10 hours of debate per resolution.
 - Contenders:
 - Drone rule
 - Clean Power Plant
 - Prepaid card rule
- Post-deadline and CRA-ineligible rules:
 - Administration enforcement decisions; new Notice and Comment; congressional repeal and/or de-funding.



Appointments

- Cabinet positions
- 4,000 jobs
- Expiring terms, interim leadership
- Regulators
 - Removal for cause versus at will/“pleasure of the President”
 - Pro-business, pro-growth deregulatory preference
 - Reinterpretations are challenging
- U.S. Supreme Court



Regulators: Who Is Staying, Who Is Going?

FDIC:

- Chairman Gruenberg to stay – stated that he intends to stay on and serve out his term (November 15, 2017).

Fed:

- Chairwoman Yellen shared that it is her intention to remain in place for at least another two years.

CFPB:

- Director Cordray's term expires in July 2018, but there are a number of variables in play that may cut that short, including the pending PHH case and other political options.

OCC:

- Comptroller Curry's term expires April 2017.

FTC:

- Chairwoman: Edith Ramirez's (D) will resign Feb. 10; Commissioner: Maureen K. Ohlhausen's (R) term ends April 2019; Commissioner Terrell McSweeney's (D) term ends April 2021.
- Considering Sean Reyes, the attorney general of Utah.
- 3 vacancies: Two Republicans, and one Democrat.

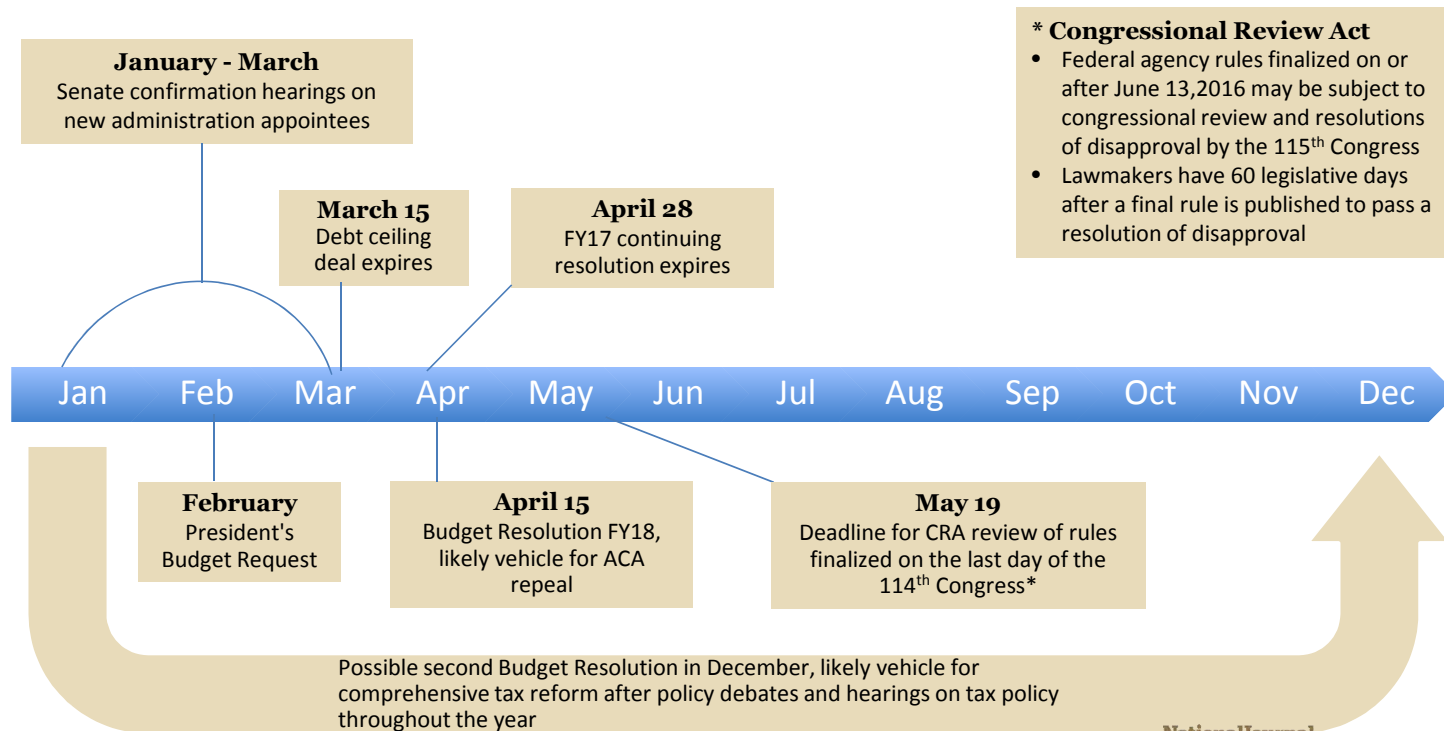


Direct Congressional Action: Legislative Repeal and Appropriations

- **Legislative repeal:**
 - Invalidate regulations outside of the *CRA* process
 - Repeal the rule or change the statute underlying the regulation
 - Usually as part of larger piece of legislation
 - Ex. Proposals in the Financial CHOICE Act: Repeal the Volcker Rule and Durbin Amendment
- **“Power of the Purse”: Appropriations and the Federal Budget**
 - The President is able to demonstrate Presidential priorities in the development and submission of his Federal Budget to Congress
 - Reconciliation may provide expedited treatment
 - Appropriations “riders”

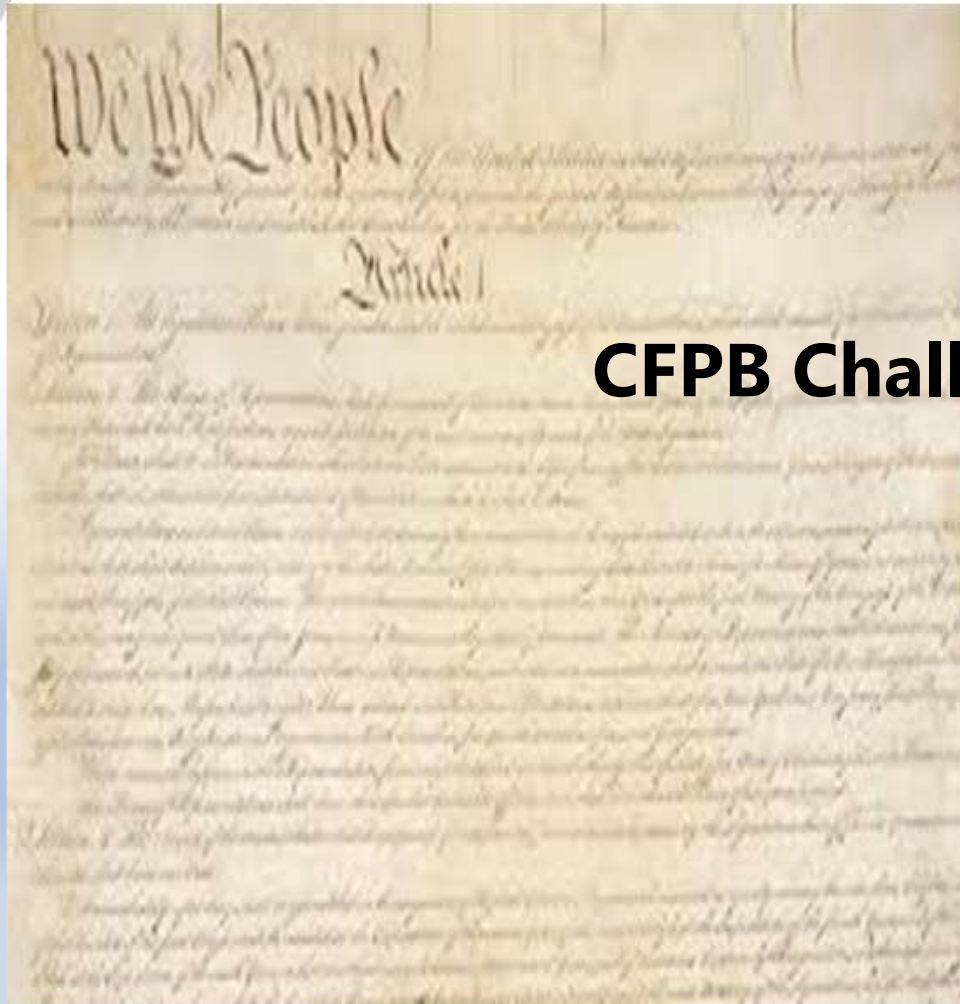
Vehicles for Primary Agenda Items in 2017

Timeline of key policy events in 2017:



NationalJournal LEADERSHIP COUNCIL

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CFPB Challenges

United States Court of Appeals FOR THE DISTRICT OF COLUMBIA CIRCUIT

Argued April 12, 2016

Decided October 11, 2016

No. 15-1177

PHH CORPORATION, ET AL.,
PETITIONERS

v.

CONSUMER FINANCIAL PROTECTION BUREAU,
RESPONDENT

On Petition for Review of an Order of
the Consumer Financial Protection Bureau
(CFPB File 2014-CFPB-0002)

Theodore B. Olson argued the cause for petitioners. With him on the briefs were *Helgi C. Walker*, *Mitchel H. Kider*, *David M. Souders*, *Thomas M. Hefferon*, and *William M. Jay*.

C. Boyden Gray, *Adam J. White*, *Gregory Jacob*, *Sam Kazman*, and *Hans Bader* were on the brief for *amici curiae* State National Bank of Big Spring, et al. in support of petitioners.

Kirk D. Jensen and *Alexandar S. Leonhardt* were on the brief for *amicus curiae* Consumer Mortgage Coalition in support of petitioners.

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CFPB Promises Business as Usual Post-PHH and Post-Obama

THE
NATIONAL LAW JOURNAL

From: Cordray, Richard (CFPB)
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(fydibohf23spdlt)/cn=recipients/cn=richard.cordray>
To: _DL_CFPB_AllHands
</o=cfpbexc/ou=exchange administrative group
(fydibohf23spdlt)/cn=recipients/cn=dlcfballhands81553528>
Cc:
Bcc:
Subject: Weekly Message
Date: Mon Oct 17 2016 11:07:43 EDT

Last week, a panel of the D.C. Circuit Court of Appeals issued its ruling in the PHH enforcement action. Much to-do was made of the ruling in the media and elsewhere, but I want you to know a couple of things. First, the ruling will be appealed further, and the likely estimate is that those appeals will take at least two years to arrive at a final decision in the case. Nothing about this ruling will be final in the interim. Second, even if this outcome were to stand, which it may or may not, the court went out of its way to state, explicitly, that its proposed remedy on the constitutional claim “will not affect the ongoing operations of the CFPB” (p. 10). A short while later, the court repeats that the implications of its ruling are limited: “As before, the CFPB will continue to operate and perform its many critical responsibilities.” (p. 13) The only upshot would be an alteration in the tenure provisions for the Director – that is to say, just for me. So keep yourselves on track just as before, and continue to focus, as always, on doing our work as best we can to deliver value in protecting and supporting consumers.

In the last several weeks,
actions regarding:

- Student loan debt collection
(parallel state AG action)
- Overdraft service fees
- Law firm collection of medical debt
- Credit Reporting
- Small-dollar loan marketing and
collection



***PHH v. CFPB* (D.C. CIRCUIT)**

- *En banc* review sought of the Constitutional issue; the retroactivity issue but not the SOL issue
- Effect on enforcement; public perception of enforcement



Views from Our Panelists



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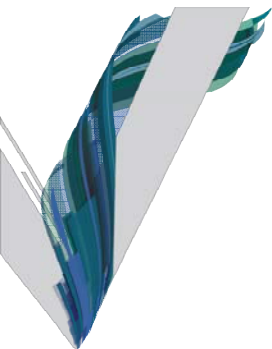
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Office of Management and Budget
Executive Order of the President
Reginfo.gov

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Agency Rule List - Fall 2016

Consumer Financial Protection Bureau

Agency	Agency Stage of Rulemaking	Title	RIN
CFPB	Final Rule Stage	Supervision of Larger Participants in Residential Loan and Vehicle Title Loan Markets	2172-AA01
CFPB	Final Rule Stage	Business Lending Data (Regulation B)	2172-AA03
CFPB	Final Rule Stage	Debt Collection Rule	2172-AA04
CFPB	Final Rule Stage	Overdraft	2172-AA05
CFPB	Final Rule Stage	Payday Loans and Express Advance Products	2172-AA07
CFPB	Final Rule Stage	Amendments to Fictitious Appraisals (Automated Valuation Models)	2172-AA08
CFPB	Final Rule Stage	Technical Corrections to the Truth in Lending Act (Regulation Z)	2172-AA09
CFPB	Final Rule Stage	October 2015 Final Rule	2172-AA10
CFPB	Final Rule Stage	Rescinding Equal Credit Opportunity Act (Regulation C) Effectively and Electronically	2172-AA11
CFPB	Final Rule Stage	Prepaid Accounts Under the Electronic Fund Transfer Act (Regulation CC)	2172-AA12
CFPB	Final Rule Stage	The Expedited Funds Availability Act (Regulation CC)	2172-AA13
CFPB	Final Rule Stage	Consumer Financial Civil Penalty Fund	2172-AA14
CFPB	Final Rule Stage	Arbitration	2172-AA15
CFPB	Final Rule Stage	Gramm-Leach-Bliley Act (GLBA) (Regulation P)	2172-AA16
CFPB	Final Rule Stage	Amendments to Federal Mortgage Disclosure Requirements Under the Truth in Lending Act (Regulation Z)	2172-AA17
CFPB	Final Rule Stage	Civil Penalty Inflation Adjustment Rule	2172-AA18
CFPB	Final Rule Stage	Amendments Relating to Disclosure of Terms and Information	2172-AA19
CFPB	Final Rule Stage	Consumer Lending (Regulation M)	2172-AA20
CFPB	Final Rule Stage	Truth in Lending (Regulation Z)	2172-AA21
CFPB	Final Rule Stage	Appraisals for Higher-Priced Mortgage Loans Exemption Threshold	2172-AA22

Regulatory Outlook



CFPB's Announced Regulatory Agenda

Prerule Stage	Supervision of Larger Participants in Installment Loan and Vehicle Title Loan Markets
Prerule Stage	Business Lending Data (Regulation B)
Prerule Stage	Debt Collection Rule
Prerule Stage	Overdraft
Proposed Rule Stage	Payday Loans and Deposit Advance Products
Proposed Rule Stage	Amendments to FIRREA Concerning Appraisals (Automated Valuation Models)
Proposed Rule Stage	Technical Corrections and Clarifying Amendments to Home Mortgage Disclosure Act (Regulation C) October 2015 Final Rule
Proposed Rule Stage	Reconciling Equal Credit Opportunity Act (Regulation B) and Home Mortgage Disclosure Act (Regulation C) Ethnicity and Race Information Collection
Final Rule Stage	Prepaid Accounts Under the Electronic Fund Transfer Act (Regulation E) and the Truth in Lending Act (Regulation Z)
Final Rule Stage	The Expedited Funds Availability Act (Regulation CC)
Final Rule Stage	Consumer Financial Civil Penalty Fund
Final Rule Stage	Arbitration
Final Rule Stage	Gramm-Leach-Bliley Act (GLBA) (Regulation P)
Final Rule Stage	Amendments to Federal Mortgage Disclosure Requirements Under the Truth in Lending Act (Regulation Z)
Final Rule Stage	Civil Penalty Inflation Adjustment Rule
Final Rule Stage	Amendments Relating to Disclosure of Records and Information
Final Rule Stage	Consumer Leasing (Regulation M)
Final Rule Stage	Truth in Lending (Regulation Z)
Final Rule Stage	Appraisals for Higher-Priced Mortgage Loans Exemption Threshold



Highlights on Key Pending Rulemakings

- **Arbitration**

- Proposed rule would ban consumer financial companies from using mandatory pre-dispute arbitration clauses with class action waivers in consumer financial contracts.

- **Installment Loan and Vehicle Title Loan Markets**

- Proposed rule would regulate small-dollar lenders and subject them to strict underwriting requirements.

- **Debt Collection**

- CFPB continues to explore formal debt collection regulations covering (1) information integrity and substantiation of claims of indebtedness, (2) litigation-related disclosures, (3) communications with consumers, and (4) debt transfers and recordkeeping. Rules for first party on a separate (and slower) track.

- **Overdraft**

- No proposed rule yet; CFPB continues to research.



Mortgage Regulation (HMDA)

- Home Mortgage Disclosure Act (HMDA) changes begin taking effect in 2017; expanded reporting requirements take effect in 2018.
 - Extent to which the data will be released to the public undecided; subsequent policy making to include process for public input
 - Balancing test = potential harm to applicant and borrower privacy with the importance of releasing information to fulfill HMDA's disclosure purposes
- How will HMDA changes affect risk?
 - Data integrity only one challenge
 - Profound impact on fair lending exposure. Loan pricing will be very transparent, making it easier to target lenders.
 - The more that is public, the more available to plaintiffs' lawyers, etc.
 - CFPB fair lending enforcement unknown variable



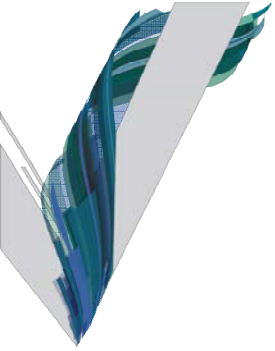
Mortgage Regulation (Other)

- Mortgage Servicing Changes (begin taking effect in October)
 - New servicing requirements for borrowers in bankruptcy
 - New rules for successors in interest
 - Changes and clarification relating to loss mitigation
 - Other implications relate to anticipated new debt collection rules
- TILA-RESPA Integrated Disclosures (TRIDs)
 - Proposed changes in final rule stage
 - Secondary market challenges persist
- Enforcement/Supervision
 - Impact of PHH Decision on RESPA Enforcement
 - Loan Originator Compensation named as a priority
 - TRID subject to more scrutiny during examinations
 - Mortgage servicing challenges and fair lending/servicing implications



Potential Changes in Leadership = New Opportunity

- CFPB continues to evaluate and tweak mortgage rules to address challenges; any changes in leadership will present new opportunities:
 - Engage both new leadership and professional staff
 - Identify pain points and articulate positions and proposed solutions
 - Demonstrate areas where costs outweigh benefits
- Opportunities may include:
 - Expansions of regulatory cures and safe harbors
 - Expansions of exemptions or safe harbor categories for small banks and lenders
 - Mandatory requirements vs. best practices



Innovation and Investments



Innovation and Fintech

- **CFPB Developments**

- Request for Information on Data Access (comments due Feb. 21, 2017)
 - Seeks comments on consumer access to financial account and account-related data, including access by entities acting with consumer permission, in connection with the provision of products or services that make use of that information.
- Project Catalyst report (Oct. 2016)
 - Provides insight into the types of “fintech” product and services that align with CFPB’s expectations.

- **Other Developments**

- Office of the Comptroller of the Currency proposed fintech charter
- Obama administration’s parting guidelines on promoting responsible fintech



Payments

- **Ongoing CFPB litigation involving payment processors**

- *CFPB v. Intercept*: CFPB filed suit against Intercept and its President and CEO for allegedly processing ACH withdrawals from consumer accounts by payday lenders and other financial services providers in the face of numerous red flags, including high return rates and warnings from banks and consumers.
- *CFPB v. Universal Debt & Payment Solutions*: CFPB alleged that processors and ISOs enabled unlawful debt collection scheme by ignoring underwriting red flags.

- **Other regulators**

- *FTC v. Western Union* (filed on Jan. 19, 2017): Western Union agreed to forfeit \$586 million related to allegations of BSA/AML failures and consumer fraud.
- *PacNet Group*: On September 22, 2016, the DOJ, the U.S. Postal Inspection Service (USPIS), and Treasury's Office of Foreign Assets Control (OFAC) launched civil and criminal actions against PacNet Group, a Canadian payment processor, and its customer merchants, for allegedly sending fraudulent mail solicitations to vulnerable U.S. persons.



Views from Our Panelists



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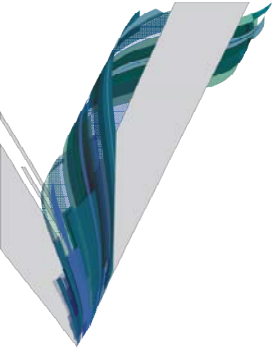
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Supervision and Examinations



How the Supervision Program May Change

- Banks subject to CFPB's supervision authority could see significant changes, given requirements for CFPB examiners to coordinate exams and conduct simultaneous exams with prudential regulators.
- Non-banks are unlikely to see major changes to exam process, scope, and rigor applied by examiners.
 - Appeals Process Developments
- What rises to the level of enforcement and/or consumer relief?
- Continued Coordination with Federal Agencies and State Regulators, including joint examinations.



Focus on UDA(A)P and Technical Compliance with Consumer Financial Law

- Examiners looking beyond compliance with technical legal requirements.
- Increasingly comfortable and versed in spotting practices deemed, from CFPB's perspective, to be UDA(A)P.
- Frequently extrapolating from small sample and isolated observations to conclude that systemic UDA(A)P issues exist.
- Non-Transparent Appeals Process



The Stakes Have Been High: Exam Findings Often Lead to Public Enforcement Actions

- 12/16/2015: the CFPB announced a consent order with a **short-term, small-dollar lender**, for illegal debt collection practices, discovered during the course of a Bureau examination.
 - The lender was ordered to refund **\$7.5 million** to 93,000 consumers, pay a **\$3 million** civil money penalty, and stop collection of remaining payday and installment loan debts owed by roughly 130,000 consumers. The company is additionally barred from in-person debt collection.
- 3/6/2015: From January 2013 through May 2013, the Bureau conducted an examination that reviewed an **indirect auto lending business** for compliance with ECOA and Regulation B, which lead to a referral to the DOJ.
 - The auto lender was ordered to substantially reduce or eliminate dealer discretion, pay **\$18 million** in damages for consumer harm, and pay to hire a settlement administrator to distribute funds to victims. The DOJ filed a separate enforcement action.
- 10/9/2014, the CFPB found that a **bank** harmed credit card consumers by practicing illegal and discriminatory credit card practices. These practices were discovered during a routine CFPB supervision exam.
 - Enforcement action: The consent order requires the bank pay **\$25 million** in direct loan subsidies to qualified borrowers in the affected communities, **\$2.25 million** in community programs and outreach, and a **\$5.5 million penalty**. This represents the largest redlining settlement in history as measured by such direct subsidies.
- 6/19/2014, the CFPB, found that a **bank** caused consumers to be subjected to deceptive marketing practices when being sold debt cancellation credit card add-on products by telemarketers. The enforcement action stems from a CFPB examination which was conducted between December 2012 and February 2013.
 - The bank paid a total of approximately **\$201 million** in redress including payments, credits, interest, and debt forgiveness to approximately 133,463 eligible consumers.
- 3/19/2013: the CFPB found that a **bank** had a policy of allowing dealers to increase or “mark up” consumers’ risk-based interest rates, and paying dealers from those markups, and that the policy lacked adequate controls or monitoring.
 - The Bureau forced the bank to pay **\$80 million** in damages to harmed African-American, Hispanic, and Asian and/or Pacific Islander borrowers. Additionally, the bank paid approximately **\$38.9 million** to consumers that the bank determined were both eligible and overcharged on auto loans.



Enforcement Beyond CFPB?

- Coordination with State Attorneys General and Regulators
- CFPB able to share supervisory information with other regulators; but rules restrain information sharing.
- CFPB has proposed a rule to expand its discretion to share confidential supervisory information (CSI) with other ***domestic and foreign government governmental entities***
 - “Federal, State, or foreign governmental authority, or an entity exercising governmental authority” regardless of whether the authority has jurisdiction over the company whose CSI is shared
 - Replaces the CFPB General Counsel as the person who decides whether to disclose CSI with the head of Supervision, Enforcement, and Fair Lending
- Comment period closed on October 24, 2016



FEDERAL REGISTER

Vol. 81
No. 164

Wednesday,
August 24, 2016

Part V

Bureau of Consumer Financial Protection

12 CFR Parts 1070 and 1091
Amendments Relating to Disclosure of Records and Information; Proposed Rule



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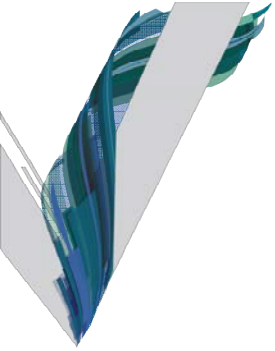
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Enforcement Outlook



Uptick in State Attorneys General and Regulatory Agency Investigations and Enforcement

**BUSINESS
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'First line of defense': Democratic attorneys general vow to fight Trump in court



Lawrence Hurley, Reuters

Nov 18, 2016, 6:37 AM ▲ 10,259

On consumer protection, states can both challenge any Trump efforts to loosen regulations and ramp up their own enforcement efforts, said Doug Gansler, a Democrat who served as Maryland's attorney general from 2007 to 2015.

"If the federal government abdicates that responsibility, the more aggressive and progressive state attorneys general will fill that vacuum," he said.

Those state agencies have wide latitude to take action, particularly against nonbank financial services firms like debt collectors, independent mortgage servicers, consumer credit reporting bureaus and even broker-dealers.

Several federal laws, including the Truth In Lending Act and the Fair Credit Reporting Act, specifically give state attorneys general enforcement authority. They also have the ability to enforce state consumer protection laws and go after unfair, deceptive acts and practices.

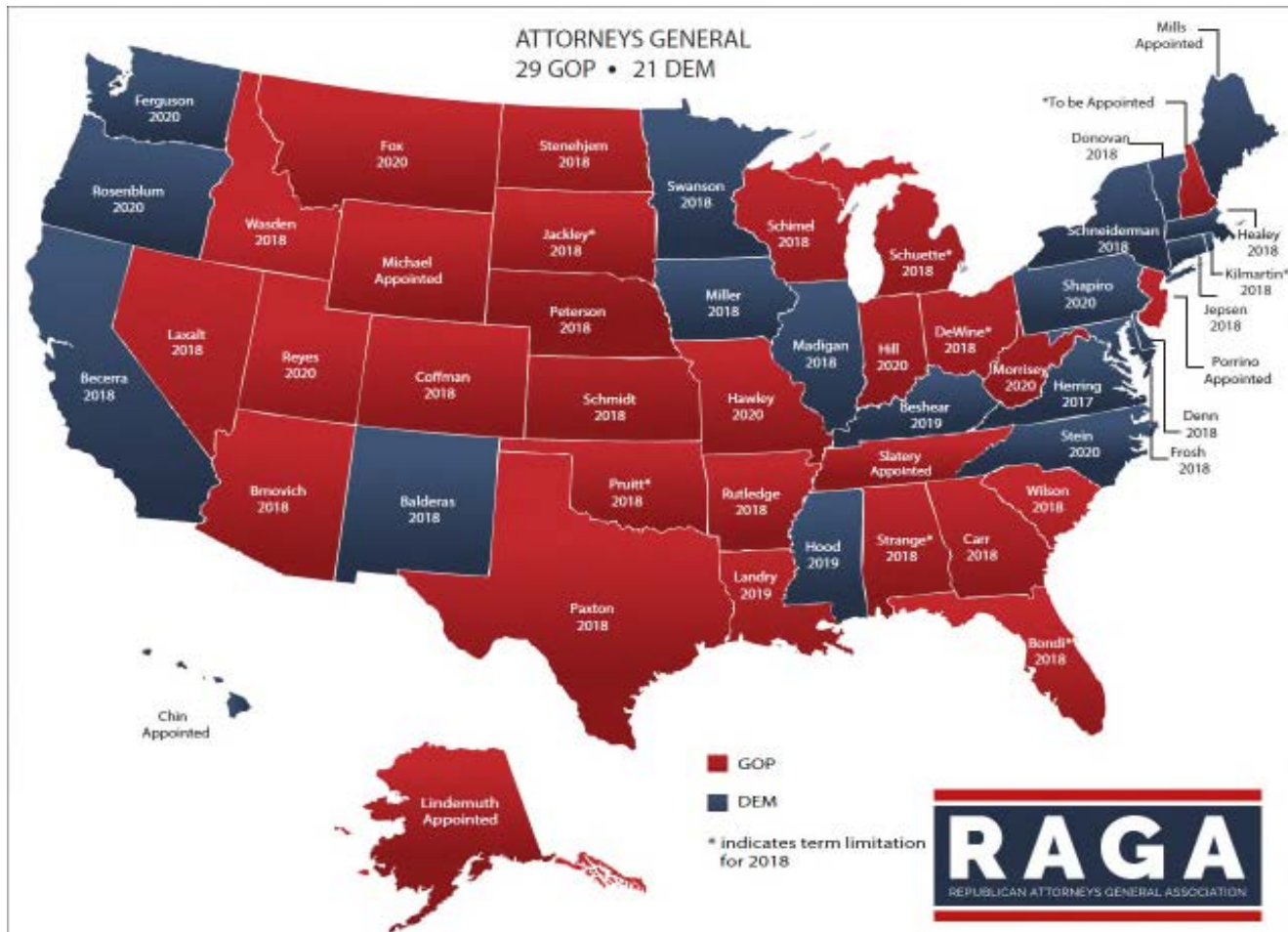


State Regulators Aim To Fill Trump's Vacuum

By Evan Weinberger

VENABLE

State Attorneys General





Consumer Protection Laws Enforced by State AGs and Regulators

- AGs and regulators investigate and bring actions under their states' respective unfair, deceptive, and abusive practices laws (UDAP laws).
- Most states also have specific consumer protection laws regulating:
 - Debt collection
 - Credit reporting
 - Credit services
 - Lending and loan servicing
 - Debt relief services
 - Money transmission
 - Often more...

Recent Attorney General Consumer Protection Actions and Initiatives



Office of the Attorney General

Wednesday, January 11, 2017

Settlement Ends Lawsuit Attorney General Racine Filed over Unlawful Predatory Lending



Virginia consumers will be receiving \$27.4 million in forgiven debt as part of the largest multi-state consumer settlement ever led by Virginia.

Commonwealth of Virginia
Office of the Attorney General



NORTH CAROLINA
DEPARTMENT OF JUSTICE
ATTORNEY GENERAL JOSH STEIN

**AG STEIN PROTECTS CONSUMERS FROM UNFAIR
DEBT COLLECTION PRACTICES**

Release date: 1/12/2017



The Official Website of the Attorney General of Massachusetts

**Attorney General
Maura Healey**

For Immediate Release - January 13, 2017

AG Healey Announces \$30 Million in Debt Relief



ILLINOIS ATTORNEY GENERAL **Lisa Madigan**

January 5, 2017

MADIGAN URGES DEPARTMENT OF EDUCATION TO FORGIVE LOANS

www.IllinoisAttorneyGeneral.gov



Questions and Closing Observations



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