

U.S. DEPARTMENT OF THE TREASURY

Press Center



Consumer Financial Protection Bureau Issues Report on Agency Progress

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Provides In-Depth Look at the Efforts Undertaken in the Year Since the Passage of the Dodd-Frank Act

WASHINGTON – The Consumer Financial Protection Bureau (CFPB) today released a report chronicling its work to build the agency from the ground up since the passage last year of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act).

“This agency was created one year ago to stand up for consumers, and we are ready to get to work,” said Elizabeth Warren, Assistant to the President and Special Advisor to the Secretary of the Treasury on the CFPB. “From the very start, we have been committed to accountability and to actively engaging the public in the agency’s work. This report highlights what we have done and what we will do to make markets work for American families.”

Prior to the passage of the Dodd-Frank Act, consumer financial protection had not been the primary focus of any federal agency, and no agency had effective tools to set the rules for and oversee the whole market. The consumer agency was created to increase government accountability and efficiency by consolidating consumer financial protection authorities that had existed across seven different federal agencies into one. The CFPB will help consumer financial markets work better by making rules more effective, consistently and fairly enforcing those rules, and empowering consumers to take more control over their economic lives.

Over the course of the last year, CFPB has hired nearly 500 employees – roughly half of them new hires and half transferring from other federal agencies. The leadership and staff of the CFPB is diverse, with people coming from a variety of backgrounds – public and private, banking and non-banking, large institutions and small institutions, academic and non-profit – bringing a variety of perspectives and viewpoints.

Since the Dodd-Frank Act became law, the CFPB has undertaken a number of initiatives on a tight timeframe to lay a solid foundation for its work in the years ahead. Some highlights include:

- **Know Before You Owe Project:** The CFPB has begun implementing a process for combining the complex and duplicative Truth in Lending Act and Good Faith Estimate mortgage disclosure forms into a single, useable form. By sharing early drafts of the new form with the public and integrating comments and insights into subsequent versions, we will begin the formal rule-writing process with the most effective form possible.
- **CARD Act Conference:** In February, the CFPB hosted a conference on the one-year anniversary of the implementation of key provisions of the CARD Act. The conference was held to develop data about the impact of the new law and to initiate a candid conversation with industry participants about credit card markets.
- **Proactive Public Engagement:** Since last September, CFPB staff has spoken directly with community bankers in all 50 states and with credit unions across the country. The agency has also met with dozens of banking executives, trade associations, consumer advocates, state banking officials, and other stakeholders to provide clarity about the CFPB’s goals and mission and to take in as much input as possible on our early priorities.
- **21st-Century Technology:** As the country’s first 21st-century consumer protection agency, the CFPB is reaching out to the public using 21st-century tools. This effort began with the unveiling of the Bureau’s website, ConsumerFinance.gov, the “Open for Suggestions” campaign, a Facebook page, a Twitter stream, Flickr and YouTube channels, and the launch of an easy-to-use jobs page for prospective employees.
- **Foundation of Cooperation:** The CFPB will work cooperatively with numerous federal agencies and other entities to allow it to better serve the American people. The agency has agreements in place with those entities, allowing it to acquire research data and talented personnel, share and obtain information, and plan its supervisory and other priorities.
- **Nonbank Supervision:** Before the CFPB can supervise certain types of nonbank providers of consumer financial products or services, it is required by law to define who is a “larger participant” in certain markets. The agency has engaged the public early in the process, prior to initiating formal rulewriting, to build a strong foundation that takes into account a broad spectrum of viewpoints.

This week, the CFPB will release two reports directly related to its consumer protection mission, meeting the congressional deadlines set by the Dodd-Frank Act. The first study examines the variations between the credit scores sold to creditors and those sold to consumers by certain consumer reporting agencies. The second report focuses on how a consumer’s remittance history could be used to enhance his or her credit score, the impediments to using a consumer’s remittance history in this way, and recommendations on ways to maximize transparency and disclosure to consumers of exchange rates used for remittance transfers. For each report there will be a follow-up study analyzing data that the CFPB has secured to address these issues further.

The full text of the report, titled “Building the CFPB: A Progress Report,” is available at ConsumerFinance.gov.

Direct link to the report: http://www.consumerfinance.gov/wp-content/uploads/2011/07/Report_BuildingTheCfpb1.pdf 

