

The New Consumer Financial Protection Bureau

Standing Up for You, Not Wall Street

For years leading up to the 2008 financial collapse, federal bank regulators ignored numerous warnings of increasingly predatory mortgage practices, credit card tricks and unfair overdraft policies used by the big Wall Street banks. The banks were earning billions from “gotcha” practices. Meanwhile, bank regulators actively encouraged this “profitable” behavior. No regulator cared about its second job: enforcing the consumer laws. Predatory practices hurt consumers and helped collapse the economy, costing us ten million jobs, millions of foreclosed homes and trillions of dollars in lost home and retirement values. So, the Wall Street Reform and Consumer Protection Act of 2010 included a landmark reform, the new Consumer Financial Protection Bureau.

CFPB is the first financial regulator with only one job, protecting consumers.



The CFPB is your consumer cop on the financial beat

The CFPB will wean banks from earning money from “gotcha fees,” such as \$35 “overdraft protection” fees when you buy a cup of coffee with your debit card. The CFPB will fight predatory mortgage practices and illegal foreclosures by banks and mortgage companies. The CFPB will enforce the new Credit CARD Act to make sure banks no longer use unfair traps to ratchet up your interest rate, even when you pay on time. The CFPB will track down triple-digit

APR payday lenders, including those attempting to skate around the laws by hiding on the Internet. The CFPB will have authority to investigate and enforce the law on virtually all bank and non-bank financial issues. For example, it will also investigate mistakes by credit bureaus, mysterious credit score calculations and shoddy debt collector practices. **The CFPB will be your consumer cop in the financial marketplace.**

The CFPB is there for all consumers, including seniors and military families

The CFPB is there for all consumers. And it wants to hear from you – your ideas and your advice – whether by e-mail, by Twitter, by video or phone. CFPB also has special jobs. For example, did you ever notice that military bases are surrounded by predatory lending storefronts?

One of the nation’s biggest banks, JP Morgan Chase, has even admitted to Congress it overcharged servicemembers in violation of the law. So, Congress gave the CFPB a special role to protect servicemembers and their families. It also has special responsibilities to senior citizens, low-income consumers and students, who are also often victims of predatory practices.



Contact CFPB now on the web at consumerfinance.gov. CFPB will also have phone and postal mail contact information by July 21, 2011 when it fully takes over its new job of protecting consumers and taking complaints.

Florida PIRG
Education Fund

(850) 224-3321 or info@floridapirg.org

The CFPB is the first U.S. financial
regulator with only one job:
Protecting Consumers
consumerfinance.gov