

## **The Consumer Financial Protection Bureau, Week in Review: June 10 - June 14, 2013**

Article By:

Thomas J. McKee, Jr.

Gil Rudolph

---

### **CFPB Launches Regulatory Implementation Page**

In an effort to streamline resources and better assist financial institutions implementing the many new rules and policies promulgated by the CFPB, the CFPB announced the launch of its “Regulatory Implementation” webpage, available [here](#). The page is a one-stop shop for financial institutions looking for assistance in understanding some of the more salient differences and requirements of the rules. In addition to a number of quick-reference guides, the page also contains compliance guides for the following rules: (i) Ability to Repay/Qualified Mortgage; (ii) 2013 HOEPA Rule; (iii) Loan Originator Compensation; (iv) ECOA Valuations; (v) TILA HPML Appraisals; (vi) Escrows; and (vii) TILA and RESPA Servicing.

### **CFPB Examines Impact of Overdraft Practices on Consumers**

On June 11, 2013, the CFPB released its “CFPB Study of Overdraft Programs” (the Report), which is available [here](#). The Report was based upon (i) responses the CFPB received to a request for information published in the Federal Register in February 2012, and (ii) aggregate, institution-level information data and random samples of consumer checking accounts. Through the inquiry, the CFPB determined that overdraft programs are costly to consumers, provide substantial sources of checking account revenue for financial institutions, and vary widely across financial institutions.

The Report noted that overdraft practices employed by financial institutions are frequently very complex. Not only do the fees charged for overdraft protection vary, but many other differences exist throughout the industry, including: the number of times a consumer can be charged; whether there are caps on such charges; the amount of such caps; the scope of overdraft protection; and even the order in which transactions are posted. Each of these factors can play a significant role in determining the fees consumers will face. Accordingly, the CFPB’s report raises concerns about consumers’ ability to understand, navigate and anticipate fees.

In light of the Report’s findings, the CFPB has announced its intention to engage in further review of account-level data to better understand how differences in practices affect consumers.

---

## **CFPB Proposes New Redress System for Victims of Unlawful Activities**

Under Section 1055(a) of the **Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010**, the CFPB may obtain various types of monetary relief, such as restitution, refunds and damages, in both judicial and administrative proceedings. The CFPB collectively refers to such relief as “redress”, and can be required to receive such redress from a defendant and then distribute it to victims of unlawful activities. In order to better assist this process, which is known as “Bureau-Administered Redress,” the CFPB is proposing a new system of records that will enable the CFPB to manage distributions to consumers.

Specifically, the new system will enable the CFPB to: (i) track the collection, allocation and distribution of funds in the Civil Penalty Fund and redress monies; (ii) identify and locate victims who may receive such payments; (iii) determine the amounts that the CFPB will distribute to such victims; (iv) maintain associated account and financial information; and (v) develop reports to applicable tax officials regarding such payments.

The proposal, which is available [here](#), states that any comments on the proposed system must be received no later than July 11, 2013. The new system will become effective on July 22, 2013, unless comments are received that result in a contrary determination.

## **CFPB Releases New Training Module to Combat Financial Exploitation of Older Americans**

On June 12, 2013, the CFPB along with the Federal Deposit Insurance Corporation (FDIC), released a tool called “Money Smart for Older Adults.” The purpose of the module is to assist older adults (age 62 and older), as well as their caregivers, in avoiding and preventing financial exploitation. In addition, it provides information to educate consumers about planning for a secure financial future and making informed financial decisions.

The module, which consists of a scripted instructor guide, a participant/resource guide and Power Point slides, has been designed to be presented and administered by financial institution representatives, adult protective services agencies, senior advocacy organizations, law enforcement, and similar organizations and agencies. The module is available, free of charge, on the FDIC website. Click [here](#) to view.

## **CFPB Assistant Director Tells Nonbanks to Quickly Implement Compliance Management Systems**

During the American Bankers Association's Regulatory Compliance Conference on June 12, 2013, Peggy Twohig, the CFPB's Assistant Director for Supervision Policy, urged nonbank entities to implement compliance management systems without delay. She specifically pointed to many payday lenders, consumer reporting agencies, mortgage lenders and servicers, student lenders and debt collectors that have yet to implement these compliance management systems.

©2025 Greenberg Traurig, LLP. All rights reserved.

---

Source URL: <https://natlawreview.com/article/consumer-financial-protection-bureau-week-review-june-10-june-14-2013>