

PUBLICATION

Recent CFPB Report to Congress

November 22, 2013

On November 12, 2013, Richard Cordray, Director of the CFPB, appeared at the hearing of the Senate Banking, Housing and Urban Development Committee to discuss the CFPB's Annual Report to Congress. During the hearing, Senators continued to express concern regarding the quickly approaching implementation deadline of January 10, 2014. Committee ranking member Senator Mike Crapo (R-ID) voiced apprehension about the "sheer volume" of new regulations and the lack of resources available to financial institutions and other entities to meet the demands of compliance. In response to questions regarding timing of enforcement actions, Director Cordray stated that the Bureau did not expect "perfection" but rather would be looking for "good faith efforts to come into substantial compliance" by January 10, 2014. Specifically, Director Cordray emphasized that "good faith effort" would mean an institution had a compliance system in place and would be monitoring its own compliance with the various rules.

Much of the hearing focused on the data collection efforts of the CFPB, including the monitoring by the Bureau of credit card data for 900 million individuals. Director Cordray addressed concerns about the mechanisms to "de-identify" such data and to protect the data from dissemination. Senators also expressed concern regarding student loan debt, car loan debt and prepaid cards. Director Cordray indicated that the Bureau was interested in each of these issues.