

CFPB Observer: Recent Developments from Jan. 5-16, 2015

CFPB and FHFA Issue Report Concerning Mortgage Comparison Shopping by Consumers

On Jan. 13, the CFPB issued a report detailing the results of the [National Survey of Mortgage Borrowers](#), an ongoing survey of consumers who took out mortgages in 2013. The project is being conducted jointly by the CFPB and the Federal Housing Finance Agency. According to the report, nearly half of mortgage borrowers do not shop for a mortgage when purchasing a home. The report also indicates that “informed consumers” are twice as likely to shop for a mortgage. However, the CFPB found it troubling that most consumers get their information about mortgages from lenders or brokers because “what is best for the lender or broker is not always best for the consumer.”

CFPB Releases “Owning a Home” Toolkit

In conjunction with the release of the National Survey of Mortgage Borrowers report, the CFPB also released its [“Owning a Home” toolkit](#), which is a part of its Know Before You Owe mortgage initiative. The toolkit is an online, interactive resource designed to help and encourage more consumers to shop for a mortgage “by researching and inquiring with multiple lenders, applying for mortgages with multiple lenders, or applying for different kinds of loans.” It includes the beta version of an [interest rate checker](#) that shows what interest rates may be available to borrowers based on various credit criteria. The rate checker is based on daily rate data from large banks, regional banks and credit unions covering about 80 percent of the mortgage market.

CFPB Releases Safe Student Account Scorecard

On Jan. 14, the CFPB released a [request for information](#) regarding its initiative on safe student banking. The CFPB is seeking feedback on its new [Safe Student Account Scorecard](#) that the CFPB intends colleges to use when negotiating agreements with financial institutions for them to market financial products to students. According to the CFPB, the scorecard would “help colleges access upfront information about fees, features, and sales tactics before agreeing to a sponsorship [, and] would help create a level-playing field for all financial institutions that offer affordable products, regardless of their ability to pay bonuses to schools.”

This is not the first attempt to regulate agreements between colleges and financial institutions. The Credit CARD Act of 2009 (CARD Act) imposed restrictions on how financial institutions may market credit cards on college campuses and required that the partnership agreements between credit card issuers and colleges be made publicly available. However, these CARD Act provisions do not apply to other financial products like prepaid cards and debit cards. The scorecard is an attempt to address this gap. The scorecard, the use of which would be voluntary, would ask for the following types of information from financial institutions that colleges could then use to evaluate the merits of an agreement: (i) a description

of product fees and features; (ii) disclosure about the financial institutions' marketing practices; (iii) the amount the financial institution earns from the accounts; and (iv) an annual summary of fees.

The CFPB will accept input on the draft scorecard until March 16, 2015.

CFPB Names Anthony Alexis as Assistant Director for Enforcement

On Jan. 7, the CFPB formally named Anthony Alexis as the Assistant Director for Enforcement. Alexis joined the CFPB in February 2012 as Deputy Assistant Director for Enforcement Field Litigation. Kent Markus, the former Assistant Director for Enforcement, has assumed a new role as Senior Counsel to Steve Antonakes, the CFPB's Deputy Director.

CFPB Releases Reports to Congress

Earlier this month, the CFPB released two reports to Congress. The first, required pursuant to section 1017(e)(4) of the Dodd-Frank Act, is the CFPB's annual appropriations report. Covering the period Oct. 1, 2013 through Sept. 30, 2014, it provides information regarding financial operating plans and forecasts, the financial condition of the CFPB and results of its operations, and the sources and application of CFPB funds.

The second report to Congress, [Growing Our Human Capital](#), details the CFPB's training and workforce development, workplace flexibilities, and recruitment and retention.

The Consumer Financial Protection Bureau (CFPB), created by the Dodd-Frank Wall Street Reform and Consumer Protection Act, implements and enforces federal consumer financial law. Greenberg Traurig monitors the CFPB's activities, including the almost daily movement on multiple industry fronts that the CFPB makes as it redefines consumer finance law. An entirely new system has been and is being created for the consumer financial services industry. Once complete, the question will be, "How does our clients' business match up?" Our GT CFPB Team regularly observes and analyzes the actions of the CFPB in order to advise clients in best practices, risk management and compliance procedures.

This *GT Alert* was prepared by **Gil Rudolph**, **Brett Kitt**, **Scott Sheehan** and **Peter Cockrell**. Questions about this information can be directed to any member of Greenberg Traurig's **Consumer Financial Protection Bureau (CFPB)** team of professionals:

- [Gil Rudolph](#) | Co-Chair, Financial Regulatory & Compliance | +1 202.530.8575 | rudolphg@gtlaw.com
- [Brett Kitt](#) | Financial Regulatory & Compliance | +1 202.533.2359 | kittb@gtlaw.com
- [Scott Sheehan](#) | Financial Regulatory & Compliance | + 1 713.374.3543 | sheehans@gtlaw.com
- [Michael Sklaire](#) | Financial Services Litigation & Regulation | +1 703.749.1308 | sklairem@gtlaw.com
- [Andy Berg](#) | Financial Services Litigation & Regulation | +1 202.331.3181 | berga@gtlaw.com
- [Michele Stocker](#) | National Chair, Financial Services Litigation | +1 954.768.8271 | stockerm@gtlaw.com
- [Jennifer Gray](#) | Financial Services Litigation & Regulation | +1 310.586.7730 | grayjen@gtlaw.com

- [Brian Schulman](#) | Financial Services Litigation & Regulation | +1 602.445.8407 | schulmanb@gtlaw.com
- [Jacob Bundick](#) | Financial Services Litigation & Regulation | +1 702.792.3773 | bundickj@gtlaw.com
- [Alan Slomowitz](#) | Government Law & Policy | +1 202.533.2318 | slomowitza@gtlaw.com
- [Patrick Anderson](#) | Government Law & Policy | +1 202.331.3100 | andersonp@gtlaw.com
- [Thomas McKee](#) | Litigation | +1 703.749.1300 | mckee@gtlaw.com
- [Michael Lawrence](#) | Litigation | +1 310.586.7719 | lawrencem@gtlaw.com
- [Peter Cockrell](#) | Financial Regulatory & Compliance | +1 202.530.8517 | cockrellp@gtlaw.com

Albany +1 518.689.1400	Denver +1 303.572.6500	New York +1 212.801.9200	Shanghai +86 (21) 6391.6633
Amsterdam +31 (0) 20 301 7300	Fort Lauderdale +1 954.765.0500	Northern Virginia +1 703.749.1300	Silicon Valley +1 650.328.8500
Atlanta +1 678.553.2100	Houston +1 713.374.3500	Orange County +1 949.732.6500	Tallahassee +1 850.222.6891
Austin +1 512.320.7200	Las Vegas +1 702.792.3773	Orlando +1 407.420.1000	Tampa +1 813.318.5700
Boca Raton +1 561.955.7600	London* +44 (0) 203 349 8700	Philadelphia +1 215.988.7800	Tel Aviv^ +972 (0) 3 636 6000
Boston +1 617.310.6000	Los Angeles +1 310.586.7700	Phoenix +1 602.445.8000	Tokyo‡ +81 (0)3 3216 7211
Chicago +1 312.456.8400	Mexico City+ +52 (1) 55 5029 0000	Sacramento +1 916.442.1111	Warsaw~ +48 22 690 6100
Dallas +1 214.665.3600	Miami +1 305.579.0500	San Francisco +1 415.655.1300	Washington, D.C. +1 202.331.3100
Delaware +1 302.661.7000	New Jersey +1 973.360.7900	Seoul∞ +82 (0) 2 369 1000	Westchester County +1 914.286.2900
			West Palm Beach +1 561.650.7900

*This Greenberg Traurig Alert is issued for informational purposes only and is not intended to be construed or used as general legal advice nor as a solicitation of any type. Please contact the author(s) or your Greenberg Traurig contact if you have questions regarding the currency of this information. The hiring of a lawyer is an important decision. Before you decide, ask for written information about the lawyer's legal qualifications and experience. Greenberg Traurig is a service mark and trade name of Greenberg Traurig, LLP and Greenberg Traurig, P.A. *Operates as Greenberg Traurig Maher LLP. **Greenberg Traurig is not responsible for any legal or other services rendered by attorneys employed by the strategic alliance firms. +Greenberg Traurig's Mexico City office is operated by Greenberg Traurig, S.C., an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. ∞Operates as Greenberg Traurig LLP Foreign Legal Consultant Office. ^Greenberg Traurig's Tel Aviv office is a branch of Greenberg Traurig, P.A., Florida, USA. ‡Greenberg Traurig Tokyo Law Offices are operated by Greenberg Traurig Horitsu Jimusho, an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. ~Greenberg Traurig's Warsaw office is operated by Greenberg Traurig Grzesiak sp.k., an affiliate of Greenberg Traurig, P.A. and Greenberg Traurig, LLP. Certain partners in Greenberg Traurig Grzesiak sp.k. are also shareholders in Greenberg Traurig, P.A. Images in this advertisement do not depict Greenberg Traurig attorneys, clients, staff or facilities. No aspect of this advertisement has been approved by the Supreme Court of New Jersey. ©2015 Greenberg Traurig, LLP. All rights reserved.*