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CFPB Unveils Regulatory Priorities: More Nonbank Supervision and Substantive Rulemakings Expected

On July 3, 2013, the Consumer Financial Protection Bureau (“CFPB”) unveiled its semi-annual update of its rulemaking agenda that highlights recent milestones reached and sets out its priorities and plans for the months ahead.

Key takeaways include:

- **Nonbank “Larger Participant” Supervisory Program Expansion** – The CFPB announced its intention to enlarge its “larger participant” supervisory program for nonbanks, including potentially debt relief services, money services businesses, prepaid cards, and consumer credit products. The agenda indicates that the CFPB expects to make its next announcement on this topic in the form of a notice of proposed rulemaking on or before November 2013. Of note, this rulemaking announcement is unrelated to the June 2013 release of a final rule establishing procedures to implement the CFPB’s authority to supervise nonbanks that the CFPB has a “reasonable cause” to determine are engaging, or have engaged, in activity that poses risks to consumers in connection with offering or providing consumer financial products and services.
- **Debt Collection Rulemaking** – The CFPB is beginning to consider whether regulations may be appropriate to address concerns raised about debt collection, which is the single biggest source of complaints to the federal government. The CFPB is considering whether rules governing the collection of debts are warranted under the FDCPA or other CFPB authorities, and if so, what types of rules would be appropriate. Rulemaking might include disclosures or address acts or practices in connection with debt collection activities, including documentation standards and the need to maintain the accuracy of information used to collect debts. The CFPB in conjunction with the FTC recently held a roundtable on debt collection litigation practices, and both agencies have issued reports that assess aspects of the marketplace. The CFPB anticipates further action on this topic on or before October 2013.
- **Payday and Deposit Advance Products Rulemaking** – The CFPB is beginning to consider whether regulations are appropriate for payday and deposit advance products, which were the focus of a recent report. The CFPB expects pre-rule activities on or before January 2014.
- **Prepaid Card Rulemaking** – The CFPB expects to build on an Advance Notice of Proposed Rulemaking that it published last year concerning prepaid cards, by developing a proposed rule to strengthen federal consumer protections for these products on or before December 2013.
- **GLBA Annual Privacy Notices** – Regulation P, implementing provisions of the Gramm-Leach-Bliley Act (“GLBA”), requires financial institutions to provide annual privacy notices to customers describing the institution’s information sharing practices and explain how a consumer can opt out of the sharing of their information when applicable. The CFPB expects to begin developing a proposed rule to seek comment on potential revisions to Regulation P, including whether requirement can be eliminated in certain circumstances where there has been no change in the policy. The CFPB expects pre-rule activities on or before November 2013.
- **Mortgage Disclosures** – The CFPB is working to complete a rule to integrate and streamline federal mortgage disclosures. Pending the results of additional testing, the CFPB expects to issue the final rule this fall, although it would not expect any implementation work to begin until after the January 2014 effective date for mortgage rules previously revised by the CFPB.

The CFPB’s full rule list is available [here](#). The list includes recently concluded rulemakings and anticipated rulemakings for the next several months.

Jonathan L. Pompan, a partner in the Washington, D.C. office of Venable LLP, co-chairs the firm's Consumer Financial Protection Bureau Task Force. His practice focuses on providing comprehensive legal advice and regulatory advocacy to a broad spectrum of clients, such as nonbank financial products and services providers, advertisers and marketers, and trade and professional associations, before the CFPB, the FTC, state Attorneys General, and regulatory agencies.

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