

Banking and Finance Law Daily Wrap Up, CONSUMER FINANCIAL PROTECTION BUREAU—Bureau proposes registry of nonbank repeat offenders, (Dec. 13, 2022)

Banking and Finance Law Daily Wrap Up

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By Lauren Bikoff, MLS

The CFPB believes that the registry would help identify and mitigate risks to American households.

The Consumer Financial Protection Bureau has issued a [proposed rule](#) that would require nonbank financial firms to register when they become subject to certain local, state, or federal agency or court orders. These orders would include all final public written orders and judgements, including consent and stipulated orders and judgments, in violation of certain consumer protection laws. The proposed rule excludes from this requirement insured depository institutions, insured credit unions, certain other entities, states, and certain individuals. The CFPB would publish this registry online for use by the public and other regulators.

“Protecting American households is a shared effort across local, state, and federal authorities,” [said](#) CFPB Director Rohit Chopra. “The proposed registry will help the CFPB, the law enforcement community, and the public limit the harms from repeat offenders.” To be assured of consideration, public comments on the CFPB's proposal must be submitted within 60 days after the Bureau's notice is published in the *Federal Register*.

Generally, nonbank financial firms would have to report final agency and court orders and judgements brought under federal consumer financial protection laws or state laws regarding unfair, deceptive, or abusive acts or practices. In addition, larger nonbanks that are supervised by the CFPB would be required to designate a senior executive to submit an annual supervisory written statement attesting to the steps taken to oversee the activities subject to the order and whether the executive knows of any violations of, or other instances of noncompliance with, the covered order.

According to the Bureau, “The repository will allow the CFPB to track and mitigate the risks posed by repeat offenders, while also being able to monitor all lawbreakers subject to agency and court orders. The CFPB will share this powerful source of information with others, including with fellow regulators and law enforcement agencies, by making the registry public.”

According to [Bartlett Naylor](#), financial policy advocate for Public Citizen, “The CFPB's proposed registry to detect repeat corporate offenders has the potential to become a powerful tool for consumers and small businesses alike to track corporate offenders, who have embraced fines and litigation as a cost of doing business and rely on forced arbitration to keep consumers from having their day in court.”

Companies: Public Citizen

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