

CFPB Announces Another Pilot Program Placing Financial Companies' Interests Before Consumers

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Washington, D.C. - Today, the Consumer Financial Protection Bureau announced a pilot advisory opinion program designed to provide additional protections for financial institutions at the expense of consumers. Under the CFPB pilot, itself issued without notice and comment, financial institutions are invited to submit requests for regulatory clarifications in areas of "substantive importance." The advisory opinions will then be issued by the CFPB, without notice-and-public comment, on the basis of confidential information submitted by the financial institution. Only entities subject to the CFPB's jurisdiction may request these advisory opinions, and the advisory opinions will provide safe harbor protections for financial institutions under all major consumer protection laws. One of the priorities of the pilot program is to identify outdated, unnecessary or unduly burdensome regulations in order to reduce regulatory burdens on companies.

"The CFPB's plan to reduce protections in areas of 'substantive importance' with no public input is offensive and contrary to the CFPB's mandate," **said National Consumer Law Center Associate Director Lauren Saunders.** "Now, more than ever, when communities of color are under siege, the CFPB must listen to their voices and those of all homeowners, borrowers, and families affected by financial industry abuses and put consumers first."