

10 Things the Consumer Financial Protection Bureau Can Start Now to Protect Consumers July 2011

The United States Consumer Financial Protection Bureau (CFPB) begins work on July 21, 2011, and the Bureau has plenty to do and plenty of power to do it, even without a director in place. Here are ten items that the CFPB can start right now using existing authority.

1. **Mortgages**: Stop mortgage companies from charging illegal fees, keeping sloppy records of what people owe, forcing homeowners into overpriced insurance, or rushing to foreclose before considering home-saving options. *Authority*: Truth in Lending Act (TILA), Real Estate Settlement Procedures Act.
2. **Overdraft and Bank Fees**: Stop banks from tricking people into incurring overdraft fees, help consumers get the cheapest overdraft coverage, and provide clear information on bank fees. *Authority*: Electronic Funds Transfer Act (EFTA), Truth in Savings Act (TISA), TILA.
3. **Internet and Bank Payday Loans**: Stop 400% internet and bank “account advance” payday loans from grabbing consumers’ wages, Social Security or unemployment benefits before families pay food or rent. *Authority*: EFTA.
4. **Prepaid Cards**: Protect prepaid debit cards, a growing but unregulated bank account substitute, from identity theft, bank errors and hidden fees. *Authority*: EFTA, TISA.
5. **Credit Cards**: Get inside the books of credit card companies to make sure they are not charging illegal fees or rate increases and help consumers shop for the best card without back-end tricks and traps. *Authority*: TILA.
6. **Credit Reports**: Force the credit bureaus to clean-up error-plagued credit reports and to respond to consumers trying to fix mistakes. *Authority*: Fair Credit Reporting Act.
7. **Student Loans**: Help students avoid expensive student loans when cheaper aid or loans are available. *Authority*: TILA.
8. **Auto Loans**: Prohibit kick-backs to auto dealers who put consumers, especially minorities, in more expensive loans and stop bait-and-switch tactics. *Authority*: Equal Credit Opportunity Act, TILA.
9. **Debt Collectors and Debt Buyers**: Go after debt collectors who make illegal threats, harass people for debts they do not owe, and pursue zombie debt long after it expires. *Authority*: Fair Debt Collection Practices Act.
10. **Money Transfers**: Ensure that consumers who are transferring money across the country or across the world know exactly what the transfer will cost and how much their family will receive. *Authority*: EFTA.

For a longer list of action items for the CFPB, see [An Agenda for the Consumer Financial Protection Bureau: Challenges for a New Era in Consumer Protection](#).