Consumer Financial Protection Bureau

CFPB Enforcement Under Director Chopra

When a financial institution, individual, or other entity subject to the CFPB's jurisdiction breaks the law, the CFPB may take enforcement action against them. In certain cases, the CFPB may partner with other federal, state, or local agencies to investigate the wrongdoing and coordinate the enforcement action.

In total, the CFPB's enforcement ($19.6 billion) and supervisory work[1] ($1.4 billion) has resulted in **more than $21 billion** in monetary compensation, principal reductions, canceled debts, and other consumer relief. The CFPB also estimates that more than **205 million consumers or consumer accounts** have been eligible to receive relief from the CFPB's enforcement and supervisory work.

During Director Chopra's tenure[2], the CFPB has filed 75 enforcement actions and resolved through final orders 28 previously-filed lawsuits, and obtained orders resulting in:

- **Lawbreakers returning over $6 billion to compensate harmed consumers.** When we enforce the law, the CFPB or a court may require the person or company to compensate its victims for this harm by providing monetary compensation out of its own funds, principal reductions, canceled debts, and other consumer relief.

- **Lawbreakers paying over $3.2 billion in civil money penalties.** Many enforcement actions impose civil money penalties that are deposited into the CFPB's victims relief fund (also known as the Civil Penalty Fund). This fund is used to compensate victims for the harm they have suffered in certain cases when the subject of an order doesn't have sufficient funds to provide compensation to harmed consumers.

Key enforcement actions include:

A $1.7 Billion Penalty and $2 Billion in Consumer Redress Against Repeat Offender Wells Fargo for Violations Across Auto Loans, Mortgage Loans, and Checking and Savings Accounts

- In December 2022, the CFPB ordered Wells Fargo Bank to pay more than $2 billion in redress to consumers and a $1.7 billion civil penalty for violations across several of its largest product lines. The bank's illegal conduct led to billions of dollars in financial harm to its customers and, for thousands of customers, the loss of their vehicles or homes. Under the terms of the order, Wells Fargo must pay redress to more than 16 million affected consumer accounts, and pay a $1.7 billion fine, which will go to the CFPB's victims relief fund.

[1] Supervisory examinations review whether companies are complying with federal consumer financial protection law. When CFPB examiners uncover problems, they share their findings with companies to help them remediate violations. Typically, companies take actions to fix the identified problems, such as providing refunds to account holders who were assessed illegal fees.

[2] Through November 14, 2024.

Taking Action Against a Repeat Offender, Bank of America, for a Range of Illegal Activities

- In May 2022, the CFPB ordered Bank of America to pay a $10 million civil penalty over unlawful garnishments and, later in 2022, the CFPB and OCC fined the bank $225 million and required it to pay hundreds of millions of dollars in redress to consumers for botched disbursement of state unemployment benefits at the height of the COVID-19 pandemic.

- In July 2023, the CFPB ordered Bank of America to pay more than $100 million to customers for systematically double-dipping on fees imposed on customers with insufficient funds in their account, withholding reward bonuses explicitly promised to credit card customers, and misappropriating sensitive personal information to open accounts without customer knowledge or authorization. The Office of the Comptroller of the Currency (OCC) also found that the bank's double-dipping on fees was illegal. The bank paid $90 million in penalties to the CFPB and $60 million in penalties to the OCC.

- In November 2023, the CFPB ordered Bank of America to pay a $12 million penalty for submitting false mortgage lending information to the federal government under a long-standing federal law. For at least four years, hundreds of the bank's loan officers failed to ask mortgage applicants certain demographic questions as required under federal law, and then falsely reported that the applicants had chosen not to respond. Under the CFPB's order, Bank of America must pay a $12 million penalty.

Cracking Down on Illegal Overdraft Fees

- The CFPB ordered Navy Credit Federal Union to refund at least $80 million in illegal surprise overdraft fees and to pay a $15 million penalty to the CFPB. The CFPB found that Navy Federal charged two different illegal overdraft fees. Navy Federal charged fees to consumers whose accounts showed sufficient funds when making purchases, only to charge fees when the transactions were later processed. It also charged overdraft fees when it delayed posting credits to members' accounts from funds received through person-to-person payment networks, even though those funds appeared to members to be available for immediate use.

- The CFPB ordered Regions Bank to refund at least $141 million to customers harmed by its illegal surprise overdraft fees and pay a $50 million civil money penalty, which will go into the CFPB's victims relief fund. From August 2018 through July 2021, Regions charged customers surprise overdraft fees on certain ATM withdrawals and debit card purchases. The bank charged overdraft fees even after telling consumers they had sufficient funds at the time of the transactions. Financial regulators have long cautioned banks against charging this type of overdraft fee.

- The CFPB ordered Atlantic Union Bank to refund at least $5 million in illegal overdraft fees and pay a $1.2 million penalty for illegally enrolling thousands of customers in checking account overdraft programs. The CFPB found that Atlantic Union misled consumers who enrolled in this overdraft service by phone and failed to provide proper disclosures.

Protecting Consumers and the Economy from Bad Actors and Cracking Down on Repeat Offenders

- National credit reporting company TransUnion, two of its subsidiaries, and its longtime executive, John Danaher, for violating a 2017 law enforcement order and violating additional consumer financial protection laws, including by continuing to employ deceptive digital dark patterns to illegally profit from customers. In October 2023, the CFPB took two additional actions against TransUnion companies, resulting in TransUnion and its subsidiaries paying $23 million.

- The student loan servicer Navient for its years of failures and lawbreaking. As a result of the CFPB's lawsuit, Navient is permanently banned from federal student loan servicing activities. The company is also forbidden from directly servicing or acquiring most loans under the Federal Family Education Loan Program. These bans largely remove Navient from a market where it, among other illegal actions, steered numerous student loan borrowers into costly repayment options.

- International remittance provider MoneyGram for years of misconduct, including leaving customers waiting for their money.

- FirstCash, Inc. and Cash America West, Inc. for cheating military families by violating the Military Lending Act through their pawn lending operations.

- Venture capital-backed fintech LendUp for continuing to engage in illegal and deceptive marketing in violation of a 2016 CFPB order, and violating fair lending regulations.

- Payday lender ACE Cash Express for concealing free repayment plans from struggling borrowers.

- Regions Bank and Navy Federal Credit Union for illegal surprise overdraft practices, among other illegal actions.

- Consumer lender TitleMax for unlawful title loans and overcharging military families.

- Fifth Third Bank for opening fake accounts in customers' names and forcing vehicle insurance onto borrowers who had coverage.

In June 2024, the CFPB also finalized a rule to establish a registry to detect and deter corporate offenders that have broken consumer laws and are subject to federal, state, or local government or court orders. The registry will help the CFPB to identify repeat offenders and recidivism trends.

Protecting Servicemembers from Illegal Actions

- In October 2024, the CFPB ordered VyStar Credit Union to pay $1.5 million for illegally stranding consumers from accessing their money and accounts. VyStar membership is open to, among others, past and present members of the military and their families. The CFPB found that VyStar transitioned to a new, dysfunctional online banking platform that made it difficult for its members to perform basic banking functions for weeks, with some features unavailable for more than six months.

- In August 2024, the CFPB ordered repeat offender New Day USA to pay $2.25 million for illegally luring veterans and military families into cash-out refinance loans. The CFPB found that NewDay USA gave misleading and incomplete cost comparisons to borrowers refinancing in certain states, which made the company's loans appear less expensive relative to their existing mortgages.

- In February 2023, the CFPB permanently banned RMK Financial Corporation, which does business as Majestic Home Loans, from the mortgage lending industry. In 2015, the CFPB issued an agency order against RMK for, among other things, sending advertisements to military families that led the recipients to believe the company was affiliated with the U.S. government. Despite the 2015 order's prohibition on these and other actions, the company engaged in a series of repeat offenses. In addition to the ban, RMK also paid a $1 million penalty that will be deposited into the CFPB's victims relief fund.

- In February 2023, the CFPB took action against a web of corporate entities operating under TMX Finance, broadly known as TitleMax, for violating the financial rights of military families and other consumers in providing auto title loans. The CFPB found that TitleMax violated the Military Lending Act (MLA) by extending prohibited title loans to military families and, oftentimes, by charging nearly three times more than the 36 percent annual interest rate cap. The CFPB's order ended TitleMax's illegal activities and required the company to pay more than $5 million in consumer relief and a $10 million civil money penalty.

- In September 2022, the CFPB filed a lawsuit against MoneyLion Technologies, an online lender, and 38 of its subsidiaries, for imposing illegal and excessive charges on servicemembers and their dependents. The CFPB alleges that MoneyLion violated the MLA by charging more than the legally allowable 36 annual percentage rate on loans to servicemembers and their dependents, through a combination of stated interest rates and monthly membership fees.

Taking Action to Stop Unlawful Junk Advance Fees for Credit Repair and Debt Relief Services

- In August 2023, the CFPB secured a settlement with a ring of corporate entities operating some of the largest credit repair brands in the country, including Lexington Law and CreditRepair.com. The settlement follows a federal court ruling that the companies violated federal law by collecting illegal advance fees for credit repair services. The settlement imposes a $2.7 billion judgment against the companies. The order also bans the companies from telemarketing credit repair services for 10 years.

- In January 2024, the CFPB and seven state attorneys general sued Strategic Financial Solutions, its web of shell companies, and the chief architects of the illegal enterprise, for running an illegal debt-relief enterprise. In a win for consumers, the agency successfully secured a restraining order and preliminary injunction that will stop the company from collecting advance fees from consumers, froze all their assets, and appointed a receiver.

- In May 2024, the CFPB took action against Western Benefits Group, LLC for charging illegal advance fees for student debt relief services and misrepresenting to consumers that advance fees would go toward paying down their loans. The CFPB ordered Western Benefits to permanently cease operations, pay a $400,000 penalty, and rescind all existing agreements with consumers.

Tackling Discrimination in Housing and Our Economy

- In November 2024, the CFPB filed a proposed order to resolve its case against Townstone Financial for discriminatory lending practices and redlining African American neighborhoods in Chicago. The proposed order follows a unanimous July 2024 decision from the Seventh Circuit in the case holding that the Equal Credit Opportunity Act prohibits lenders from discouraging prospective applicants on a prohibited basis from applying for loans.

  In November 2023, the CFPB ordered Citibank, the nation's third-largest bank, for intentionally and illegally discriminating against credit card applicants the bank believed to be Armenian American.

- In October 2024, the CFPB and DOJ filed a proposed order to end Fairway Independent Mortgage Corporation's illegal mortgage lending discrimination against majority-Black neighborhoods in the greater Birmingham, Alabama, area. The CFPB and DOJ allege that Fairway illegally redlined Black neighborhoods, including through its marketing and sales actions. If entered by the court, the proposed order would require Fairway to pay a $1.9 million civil penalty and to provide $7 million for a loan subsidy program to offer affordable home purchase, refinance, and home improvement loans in majority-Black neighborhoods.

- In December 2023, the CFPB and the U.S. Department of Justice (DOJ) sued Colony Ridge, a Texas-based developer and lender, for operating an illegal land sales scheme and targeting tens of thousands of Hispanic borrowers with false statements and predatory loans. The CFPB and Justice Department are seeking redress for borrowers harmed by Colony Ridge and an immediate end to its illegal practices.

- In July 2022, the CFPB and the DOJ took action to end Trident Mortgage Company's intentional discrimination against people living in majority-minority neighborhoods in the greater Philadelphia area. The order required Trident to pay a $4 million civil penalty, which was deposited into the CFPB's victims' relief fund, pay $18.4 million into a loan subsidy program, and pay $2 million to fund advertising to generate applications in redlined areas.

Pursuing Credit Reporting Failures and Illegal Access of Credit Reports

- In September 2024, the CFPB ordered TD Bank to pay $28 million for breakdowns that illegally tarnished consumer credit reports. For years, the bank repeatedly shared inaccurate, negative information about its customers to consumer reporting companies. The information included systemic errors about credit card delinquencies and bankruptcies.

- In November 2023, the CFPB ordered Toyota Motor Credit Corporation to pay $60 million in consumer redress and penalties for operating an illegal scheme to prevent borrowers from cancelling product bundles that increased their monthly car loan payments. The company withheld refunds or refunded incorrect amounts on the bundled products and knowingly tarnished consumers' credit reports with false information. The CFPB is ordering Toyota Motor Credit to stop its unlawful practices, pay $48 million to harmed consumers, and pay a $12 million penalty into the CFPB's victims relief fund.

- In July 2022, the CFPB took action against Hyundai Capital America (Hyundai) for repeatedly providing inaccurate information to nationwide credit reporting companies and failing to take proper measures to address inaccurate information once it was identified. The order requires Hyundai to take steps to prevent future violations and to provide $13.2 million in redress to affected consumers and pay a $6 million civil money penalty.

- In July 2022, the CFPB took action against U.S. Bank for illegally accessing its customers' credit reports and opening checking and savings accounts, credit cards, and lines of credit without customers' authorization. Under the CFPB's order, U.S. Bank must make harmed customers whole and pay a $37.5 million penalty.

Protecting Students From Scams And Bad Actors

- In September 2024, the CFPB announced an action against the student loan servicer Navient for its years of failures and lawbreaking. As a result of the CFPB's lawsuit, Navient is permanently banned from federal student loan servicing activities. The company is also forbidden from directly servicing or acquiring most loans under the Federal Family Education Loan Program. These bans largely remove Navient from a market where it, among other illegal actions, steered numerous student loan borrowers into costly repayment options.

- In April 2024, the CFPB permanently banned BloomTech from all consumer-lending activities and banned its CEO, Austen Allred, from any student-lending activities for ten years for deceiving students about the cost of loans and making false claims about graduates' hiring rates. BloomTech and Allred must also pay over $164,000 in civil penalties, which will be deposited in the CFPB's victims relief fund.

- In May 2024, the CFPB sued student loan servicer PHEAA, which does business as American Education Services, for pursuing borrowers for loans discharged in bankruptcy. The CFPB alleges that PHEAA illegally collected on student loans that had been discharged in bankruptcy and sent false information about consumers to credit reporting companies.

- In May 2024, the CFPB also ordered National Collegiate Student Loan Trusts and PHEAA to pay more than $5 million for student loan servicing failures. The CFPB alleged that the defendants failed to respond to borrowers seeking relief from student loan payments, including during the COVID-19 national emergency.

- In October 2024, the CFPB filed a lawsuit against student lender Climb Credit and investment firm 1/0 for deceiving borrowers about coding bootcamps and vocational programs.