

CFPB Enforcement Actions Have Sharply Decreased Under Trump Appointed Directors

The CFPB Has Sharply Decreased Enforcement Actions And Returns Only \$925,000 Per Week To Harmed Consumers—Only A Fraction Of The \$43 Million Returned Weekly To Consumers By The CFPB Under Richard Cordray.

CFPB Enforcement Actions Decreased 80% In 2018 From Peak Levels In 2015—And Have Remained Low Under Kathy Kraninger’s Leadership.

The CFPB Announced 80% Fewer Enforcement Actions In 2018, While Mulvaney Led The CFPB, Than It Did In 2015, When Richard Cordray Was Leading The Bureau. “The number of public enforcement cases announced in 2018 declined by 80% from the Bureau’s peak productivity in 2015. In 2015, the CFPB announced 55 public law enforcement actions. In 2018, this number had declined to 11.” [Consumer Federation of America, [03/12/19](#)]

Under Kathy Kraninger’s Leadership, “Law Enforcement Activity Continues To Remain Significantly Below Earlier Levels Since Her Confirmation.” “Overall, enforcement activity and relief to the consumer has declined since the appointment of Mick Mulvaney in 2017. And, despite being touted as one of Director Kraninger’s initial priorities for her term of leadership, law enforcement activity continues to remain significantly below earlier levels since her confirmation.” [Consumer Federation of America, [03/12/19](#)]

Under Kathy Kraninger. The CFPB Returns \$925,000 A Week To Consumers – Compared To \$43 Million A Week Under Richard Cordray.

Under Richard Cordray, The CFPB “Returned About \$43 Million In Restitution To Consumers Every Single Week,” While The CFPB Under Kraninger “Is Now Down To About \$925,000.” “It says the bureau returned about \$43 million in restitution to consumers every single week when Richard Cordray, an Obama appointee, was in charge. Under Mulvaney that figure dropped to \$6.4 million a week, and under Kraninger is now down to about \$925,000.” [The Los Angeles Times (Opinion), [03/15/19](#)]

Under Mick Mulvaney The CFPB Often Went Soft On Regulated Companies, Including Payday Lenders That Funded His Campaigns.

Mulvaney Has Dropped Enforcement Actions Against Predatory Payday Lenders...

In January 2018, Mick Mulvaney Dropped A Lawsuit Against Four Payday Lenders Associated With An American Indian Tribe. “The Consumer Financial Protection Bureau is dropping a lawsuit against a group of payday lenders associated with an American Indian tribe in a sign the regulator is changing direction under Mick Mulvaney, the acting director appointed by the Trump administration.” [Bloomberg, [01/18/18](#)]

- **The Companies Had Engaged In “Rent-A-Tribe” Lending, Which Allows Them To “Charge Interest Rates Higher Than What States Allow.”** “The case was filed in Kansas because the CFPB alleged that the companies largely operated out of a call center in Overland Park, despite being formally organized on an American Indian reservation in California... The business model used by the four companies mirrors what’s referred to as the “rent-a-tribe” structure, where a payday lender nominally establishes its business on American Indian reservations, where state regulations generally do not apply. Some payday lenders favor the model because they can charge interest rates higher than what states allow.” [Kansas City Star, [01/19/18](#)]

...Trimmed Their Fines. Sometimes By Up To A Million Dollars...

Mulvaney’s CFPB Settled With Triton Management Group Regarding Their Deceptive Loan Practices. “The Bureau of Consumer Financial Protection... announced a settlement with Triton Management Group, Inc., a small-dollar lender that operates in Alabama, Mississippi, and South Carolina under several names including ‘Always Money’ and ‘Quik Pawn Shop.’” [Consumer Financial Protection Bureau, [07/19/18](#)]

- **The Fine Mulvaney’s CFPB Agreed To Was Only One Third Of What The Previous CFPB Director Had Sought.** “The U.S. consumer finance watchdog ordered [the] Alabama-based payday lender... to return \$500,000 to borrowers who were overcharged, a fine that people familiar with the matter said was only a third of what the prior Obama-era head of the agency had sought.” [Reuters, [07/19/18](#)]
- **The Mississippi Payday Lender Was Found To Be “Routinely” Overcharging Borrowers And Hiding The True Cost Of Their Loans.** “Triton Management, which operates about 100 storefront lending offices across the South, routinely overcharged borrowers in Mississippi, the CFPB said. Customers who went in to borrow a few hundred dollars for about a month could end up paying more than twice that sum if they extended the life of the loan. Triton did not disclose the true costs to borrowers, the CFPB concluded.” [Reuters, [07/19/18](#)]

Mulvaney’s CFPB Settled With The Hydra Group Over Their Unlawful Payday Loan Practices. “...a federal district court in the Western District of Missouri entered an Order effectuating a settlement between the Bureau of Consumer Financial Protection (Bureau) and Richard Moseley, Sr., Richard Moseley, Jr., and 20 interrelated corporate entities controlled by Moseley, Sr. and Moseley, Jr., in the Bureau’s lawsuit regarding the unlawful origination and servicing of short-term, small-dollar online loans to consumers nationwide.” [Consumer Financial Protection Bureau, [08/10/18](#)]

- **In Addition To Forfeiting Assets, The Settlement Called For Just A \$1 Civil Fine Against The Men Involved In The Scheme.** “The consent order entered into... calls for the Moseleys to forfeit approximately \$14 million in frozen assets. A \$69 million order to pay defrauded borrowers was suspended. According to the order, the suspended judgment and \$1 civil fine were set because of the “defendants’ limited ability to pay.” [Kansas City Business Journal, [08/13/18](#)]
- **The Group Was Accused Of Making Loans To Consumers “That The Borrowers Had Not Authorized And Charged Biweekly ‘Finance Charges’ Indefinitely.”** “Federal officials say the Moseleys operated a group of companies, referred to as the Hydra Lenders, that made \$227.7 million in loans, generating \$69.6 million in gross profits, since January 2008, according to a consent order. A bureau complaint alleges that the Hydra Group made loans to consumers that the borrowers had not authorized and charged biweekly “finance charges” indefinitely.” [Kansas City Business Journal, [08/13/18](#)]

...And Even Dropped The Investigation Into A Payday Lender That Gave Him Thousands In Campaign Cash.

Also in January 2018, Mick Mulvaney's CFPB Dropped An Investigation Into World Acceptance Corporation, A Payday Lender That Has Donated Thousands To Him. "World Acceptance Corporation, one of the largest small-loan consumer finance companies in North America, today announced the company received a letter from the Consumer Financial Protection Bureau indicating the investigation into the company's marketing and lending practices has been completed. More importantly, the CFPB noted it does not intend to recommend enforcement action. As a result, the company is relieved of the document-retention obligations required by the bureau's investigation." [[Press Release](#), 01/22/18]

World Acceptance Corporation Donated At Least \$4,500 In Campaign Donation To Mick Mulvaney. "The company, which is headquartered in South Carolina, has given at least \$4,500 in campaign donations to Mulvaney, who represented South Carolina in the House for six years before becoming President Donald Trump's budget director last year." [International Business Times, [01/23/18](#)]