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May 14, 2018

Mark Malvey
Acting Director
Consumer Financial Protection Bureau
1700 G Street, N.W.
Washington, D.C. 20552

RE: Request for Information Regarding Bureau Enforcement Process
Request No. CFPB-2018-003

Dear Acting Director Malvey:

I write in response to the Consumer Financial Protection Bureau's ("Bureau" or "CFPB") request for comments and information on its enforcement processes. Specifically, my comments highlight the critical importance of the Bureau's enforcement actions for California consumers, and the need for the Bureau's continued enforcement of federal consumer financial laws. To ensure that the vigorous enforcement that has been the hallmark of this agency would be to substantiate the will of Congress, ignore the actions that fueled the Bureau's creation, and would serve to shield the country's most vulnerable consumers.

As a public servant elected to protect the interests of San Franciscans and who also has the authority under state law to act on behalf of California consumers, I am deeply concerned that you have not initiated a timely enforcement action or new investigation since you assumed the role of acting director.¹ If this reduction in enforcement signals a shift in the Bureau's priorities, it ignores the serious and recent history that propelled the Bureau's creation. It was just ten years ago that our country was rocked by a serious financial crisis. By 2008, millions of everyday Americans had fallen through a federal consumer financial regulatory structure rife with cracks.² They had lost homes, lost livelihoods, and lost classes to secure a brighter future for their children.

State and local governments moved quickly to help their own citizens, and agencies like my office have worked hard to hold bad actors responsible. But recognizing the need for national leadership and systemic reform, Congress passed the Consumer Financial Protection Act and authorized the Bureau to implement it. In doing so, Congress sought to forge a stronger foundation of economic security insulated from shifting political winds, so that the federal government would not again fail to protect its hardworking constituents.

¹ *Idem* (2018), "They're official again by a trying to deny the CFPB," Apr. 11, 2018, CNN, available at

<http://www.cnn.com/2018/04/11/finance/cfpb-acting/index.html>.

² Gregory B. Palmer, *Consumer Financial Protection Service Law Enforcement: An Empirical Review*, 98 TUL. L. REV. 811, 827, (2014).

³ See Democratic Staff of the Committee on Financial Services, *The Consumer Financial Protection Bureau in Perspective*, July 21, 2011, available at https://www.fdic.gov/consumers/consumer/bureau/gregpatricktestimony_072111_report.pdf.