

PUBLICATION

CFPB Continues Grassroots Methods to Obtain Complaints from Borrowers

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In mid-January of this year, Richard Cordray addressed mayors from around the country and explained the many ways that the CFPB is making it easier for disgruntled borrowers to lodge consumer complaints through the CFPB. At the U.S. Conference of Mayors on January 14, 2014, Cordray assured the crowd that the CFPB is making every effort to help prevent constituents from "[feel\[ing\] helpless because they stand alone against a large and powerful financial company.](#)" The remarks Cordray prepared for the mayors double as a helpful overview of the many new methods by which borrowers can lodge complaints against mortgage servicers – in fact, some methods allow borrowers to file a complaint in less than 30 minutes. Cordray focused on two ways that U.S. mayors could use the CFPB's resources to help their constituents.

First, and perhaps most notably, Cordray requested that mayors consider participating in a pilot program launched in February 2013. Called the "3-1-1 pilot partnership," the CFPB has partnered with several major cities throughout the U.S. – including Boston, Newark and St. Louis – to allow borrowers to have direct contact with the CFPB simply by picking up their phones and dialing 3-1-1. The program partnered with the city of Jackson, Mississippi, in September 2013 and allows the citizens of Jackson to be connected with the Bureau when they have any sort of financial issue. Said Mayor Chokwe Lumumba, "[w]e understand the challenges that Jacksonians face on a daily basis when it comes to financial services such as loans, debt collection and mortgages. We want to help our citizens become more aware of the financial options and services that are available to them, and what better way than to connect the City's 3-1-1 system with the CFPB." At the Conference of Mayors in January, Cordray announced a goal to have as many mayors and cities as possible join the 3-1-1 pilot partnership by July 2014. In sum, the CFPB is not only making it easy for borrowers to contact it, it is embedding itself in cities across the nation.

Second, Cordray touted the ease and simplicity of filing a consumer complaint online at consumerfinance.gov or by calling the CFPB's toll-free hotline. According to Cordray, even "more intricate" consumer complaints should not take more than 30 minutes to submit. After a consumer submits a complaint, the CFPB reviews it and contacts the complained-about company in order to address the issue. More about how the CFPB brings complaints to mortgage servicers is [here](#). Interestingly, Cordray notes that a large majority of the 270,000 complaints it has received from customers are mortgage-related. Specifically, the CFPB has received 109,000 complaints about mortgage products, compared to 27,000 complaints about credit reporting and 31,000 about debt collection.

Since the most complaints received by the CFPB relate to mortgage loan products, the CFPB's efforts to become entrenched in everyday American society is perceived to pose a particular threat to mortgage servicers and their ilk. Servicers are wise to keep abreast of the CFPB's actions and regulations because it is easier than ever for consumers to lodge complaints and, potentially, lawsuits.