



Financial Reform Advocacy Impact Report Summary

In a new report, the [Center for Responsible Lending](#) (CRL) and [Americans for Financial Reform](#) (AFR) have analyzed local, state and federal, legislative, legal and regulatory outcomes on key consumer lending issues.

The report identifies where progress has been made, where consumer protections have moved in the wrong direction, and where – despite key actions – there are no concrete outcomes. The report aims to improve the understanding of advocates and to point the way forward for organizations developing strategies to ensure all people have access to fair and affordable financial services.

In 2014, we find:

1. Significant gains via state and federal regulatory and judicial actions.
2. Several key markers for forthcoming regulations.
3. Federal and state legislative bodies actively considered bills to both expand and roll back consumer protections.
4. While other federal regulators made strong contributions, the federal Consumer Financial Protection Bureau (CFPB) is critically important in pushing forward reforms.
5. While support for actions to ensure access to fair and affordable financial services is high among the voting public, and while media coverage of CFPB actions is broadly positive, many Americans do not know about the CFPB's mission.

Moving Forward

The debt trap product market - payday, car-title and consumer installment loans - is clearly poised for major change. The CFPB's ground work (and now proposed rule), state actions both to expand protections and remove them, as well as industry's shifts in product structure and delivery channels all illustrate volatility in the market for these products.

In other markets, several important outcomes stemmed from key changes in industry makeup or business practices. Many changes were made as a result of earlier regulator actions. While these actions mostly engendered positive outcomes for consumers, advocates will need to continue monitoring industry implementation of consumer protections.

Advocates must weigh the political landscape in determining the emphasis they place on federal and state legislative actions, but we expect that regulatory interventions will continue to bear fruit. Advocates should pay special attention to key markers because they show regulators laying the groundwork for new rules, and advocates will have ample opportunity to participate in the rulemaking process if they choose.

Finally, advocates still have work to do connecting the dots to show consumers that the CFPB and other regulators can help pave a path toward the fair financial services they tell pollsters they favor. In order to do so, advocates should consider how different media outlets trying to reach different audiences cover the CFPB and other regulators, and ways to push coverage from the “business section”, where it is mainly concentrated, to the front pages.

The Ratings

In the report we provide a summary, rating, and description of each individual policy outcome. We have also provided background information on the lending market. The chart below summarizes outcomes for each policy area over the course of the year.

	Federal legislation	State legislation	Federal regulatory & judicial actions	State regulatory & judicial actions	Industry practices
Payday Lending		Does not lead to a tangible change	Increases protections for consumers	Increases protections for consumers	Increases protections for consumers
Car title lending		Does not lead to a tangible change	Does not lead to a tangible change	Increases protections for consumers	
Consumer installment lending		Does not lead to a tangible change	Does not lead to a tangible change	Increases protections for consumers	
Student lending			Increases protections for consumers	Increases protections for consumers	Does not lead to a tangible change
Auto lending			Increases protections for consumers	Increases protections for consumers	Increases protections for consumers
Credit reporting			Increases protections for consumers	Increases protections for consumers	Increases protections for consumers
Deposit accounts/overdraft			Increases protections for consumers		Increases protections for consumers
Credit cards			Increases protections for consumers		Increases protections for consumers
Prepaid cards			Does not lead to a tangible change	Increases protections for consumers	
Money transfer (remittances)	Does not lead to a tangible change		Increases protections for consumers		Increases protections for consumers
Debt collection/buying		Does not lead to a tangible change	Increases protections for consumers	Increases protections for consumers	
Debt settlement		Does not lead to a tangible change	Increases protections for consumers	Increases protections for consumers	
Other issues	Does not lead to a tangible change		Increases protections for consumers	Increases protections for consumers	