



Comment Intake—Registry of Nonbank Covered Persons Subject to Certain Agency and Court Orders; Proposed Rescission
c/o Legal Division Docket Manager
Consumer Financial Protection Bureau
1700 G Street NW
Washington, DC 20552

June 13, 2025

Re: Docket No. CFPB–2025–0011 RIN 3170–AB32; Registry of Nonbank Covered Persons Subject to Certain Agency and Court Orders; Proposed Rescission

To whom it may concern:

Americans for Financial Reform Education Fund (AFREF) appreciates the opportunity to comment on the Consumer Financial Protection Bureau’s (CFPB) proposed rescission of the “NBR Rule” (Registry of Nonbank Covered Persons Subject to Certain Agency and Court Orders).¹ AFREF is a nonpartisan and nonprofit coalition of more than 200 civil rights, consumer, labor, investor, faith-based, and civic and community groups dedicated to advocating for policies that shape a financial sector that serves workers, communities and the real economy, and provides a foundation for advancing economic and racial justice.

AFREF supported the proposal for a registry of nonbanks that have been subject to certain agency and court orders and urge the CFPB to proceed with such a registry.² We strongly oppose the CFPB’s proposal to rescind the NBR Rule. A centralized public repository of nonbank enforcement and agency orders will greatly help state and federal regulators, consumer advocates, and the public identify repeat offenders and more effectively spot patterns and practices of misconduct. Rescinding the nonbank repeat offender registry would help corporate scofflaws conceal their patterns of violations from the public and state regulators while the current CFPB leadership has turned away from rigorous enforcement of federal consumer financial protection law.

A nonbank registry helps the CFPB fulfill its Congressional mandate to monitor risks in the consumer financial marketplace. Congress established the CFPB on the heels of the 2008 financial crisis, in part, to regulate financial products and services and make sure they comply with federal consumer protection and financial services law. The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) directed the CFPB to “monitor for risks to consumers in the offering or provision of consumer financial products or services, including developments in

¹ [90 Fed. Reg. 92](#), May 14, 2025 at 20406.

² Saunders, Lauren. National Consumer Law Center. [“Comments on Registry of Nonbank Covered Persons Subject to Certain Agency and Court Orders.”](#) Consumer Financial Protection Bureau (CFPB). Docket No. CFPB-2022-0080. March 31, 2023.

markets for such products or services” in order to effectively regulate all of the products and services covered by these laws.³ Dodd-Frank created a framework that allows the CFPB to use this market-monitoring responsibility to guide its activities, in part, so that “markets for consumer financial products and services are fair, transparent, and competitive.”⁴

The nonbank registry fulfills the statute’s goal to provide oversight and supervision. Where the CFPB has reasonable cause to determine a nonbank’s conduct poses risks to consumers, the CFPB may obtain information about supervised entity activities in order to detect and assess those associated risks to consumers and markets.⁵ The CFPB is the primary agency looking out for consumers when it comes to nonbank entities including mortgage lenders, loan modification and foreclosure relief services, private student loans, payday lenders, debt collectors, and nonbank fintech apps, including digital payment apps. The nonbank repeat offender registry enables the CFPB to assess the risks to consumers from a firm’s pattern of misconduct across state and federal agency and court orders.

A nonbank registry helps federal and state regulators and the general public identify patterns of misconduct and repeat offenders. Agency and court issued orders are legally binding and designed to remedy past violations and prevent future misconduct. When agencies issue orders or seek court orders, that agency has chosen to address a serious problem. Since the enactment of the Consumer Financial Protection Act, the CFPB has brought nearly 350 enforcement actions against nonbanks.⁶ States attorneys general have brought additional cases against nonbanks for violations of state unfair and deceptive practices laws, debt collection laws, and other consumer financial protection statutes. Even when companies voluntarily entered into consent orders with the CFPB, some of these companies still failed to comply with their consent orders. Easily accessible public reporting when this happens should be made available to regulators and the public:

- **Repeat offenses against military families.** RMK Financial Corporation (doing business at Majestic Home Loans), a nonbank mortgage broker and lender, repeatedly lied to military families and used fake Veterans Affairs (VA) seals and the Federal Housing Administration (FHA) logo to imply RMK was affiliated with the government. They failed to comply with a 2015 enforcement order and were permanently banned from mortgage lending or receiving payment for mortgage lending services by the CFPB in 2023.⁷
- **Repeat offenses against student borrowers.** Discover Bank, the Student Loan Corporation, and Discover Products, a private student loan provider and servicer, ignored a 2015 order after misstating minimum loan amounts due on billing statements and on the tax information students needed to get federal income tax benefits. The CFPB issued a second order in 2020.⁸
- **Repeat offenses against older adults.** Over years and multiple locations, the American Advisors Group (AAG), one of the country’s leading providers of reverse mortgages, used

³ See [12 U.S.C. 5512\(c\)\(1\)](#).

⁴ [12 U.S.C. 5511\(a\)](#).

⁵ [12 USC 5515\(b\)\(1\)](#).

⁶ [89 Fed. Reg. 130](#), July 8, 2024 at 56028.

⁷ *RMK Financial Corp. d/b/a Majestic Home Loan or MHL*, [CFPB No. 2023-CFPB-0002](#) (Feb. 27, 2023).

⁸ *Discover Bank*, [CFPB No. 2020-BCFP-0026](#) (Dec. 22, 2020).

inflated and deceptive home estimates to lure people (particularly older adults) into predatory and deceptive reverse mortgages. A consent order had been filed against AAG in Massachusetts as early as 2008,⁹ followed by a CFPB filed administrative consent order in 2016, followed by another consent ordered filed in 2021 when the 2016 order was ignored.¹⁰

A public registry simply highlights when nonbanks have engaged in misconduct and repeated misconduct. This database will make key pieces of information easily visible in one central and public location and allow federal and state regulators, advocates, and the public to avoid the resource intensive search for court filings piecemeal by states and localities. As the previous rule indicates, “[a] public registry of agency and court orders issued or obtained in connection with violations of law will help the Bureau and the broader public monitor trends concerning corporate recidivism relating to consumer protection law, including areas where prior violations of law are indicia of risk to consumers.”¹¹

Past and current behavior is sometimes the best predictor of future practice. A central repository of public orders can reveal broader patterns and risks in the financial marketplace where enforcement gaps may exist. It can help reveal where more enforcement is occurring or needed, and, in places of less enforcement, where consumers may be exposed to greater risks from repeat offenders. A pattern of misconduct repeated by similar types of nonbank entities would also help regulators more quickly identify emerging areas of risk in the marketplace. State and local regulators, as well as the general public, could leverage this nonbank database to help guide their enforcement efforts.

Nonbanks and nonbank covered persons can easily comply with the requirements of the nonbank registry rule. Covered nonbanks can easily comply with the nonbank registry rule by following the Bureau’s suggested one-time registration option. Covered nonbank executives only need to submit a written acknowledgement of compliance once a year. Nonbank compliance is easy and economical while immensely helping the public and regulators more easily track of potentially risky nonbank activity. Furthermore, nonbanks that have followed the rules and obeyed consumer laws will not be subject to the registry. The costs of compliance are born by those firms that have accrued agency or court ordered remedies for violations of federal or state statutes or regulations.

The CFPB should not rescind the NBR repeat offender registry. The CFPB should instead proceed with publishing a public registry of repeat offenders. The registry will greatly help federal, state, and local regulators, attorneys, consumer advocates, and the public more effectively spot patterns and practices of misconduct that might otherwise be missed. The current CFPB has deemphasized the enforcement of federal consumer financial protection laws by withdrawing enforcement cases, reversing prior settlements, and weakening regulatory safeguards. Rescinding the nonbank repeat offender database would hide recidivist financial predators from the public and state regulators and prevent consumers from being able to avoid the worst corporate scofflaws.

⁹ *American Advisors Group, Irvine, CA-Consent Order*, Commonwealth of Massachusetts, Division of Banks, [2008-022-CO](#) (Oct. 21, 2008).

¹⁰ *CFPB v. American Advisors Group*, [No. 21-cv-01674-JLS-JDEx](#) (C.D. Cal. Oct. 25, 2021).

¹¹ [89 Fed. Reg. 130](#), July 8, 2024 at 56030.