



STATE OF CALIFORNIA

Department of Financial Protection and Innovation

GOVERNOR **Gavin Newsom** • COMMISSIONER **Clothilde V. Hewlett**

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Contact:

DFPI.media@dfpi.ca.gov

DFPI Announces New Rules to Expand Protections for California Consumers

What You Need to Know: Beginning in February 2025, the DFPI will register and regulate debt settlement services, education financing, income-based advances, and student debt relief providers – all to protect California consumers and provide more transparency.

SACRAMENTO – The California Department of Financial Protection and Innovation (DFPI) announced today a major milestone in the implementation of the California Consumer Financial Protection Law (CCFPL). With the approval of DFPI’s [first registration regulations](#) under the CCFPL by the Office of Administrative Law, the DFPI will now require providers of the following financial products and services to register and submit data to the Department:

- Debt Settlement Services
- Student Debt Relief Services
- Private Postsecondary Education Financing
- Income-Based Advances (also known as “earned wage access”)

The regulations announced today require formal supervision and data reporting from four industries not previously registered with the DFPI, which will allow for greater insight into emerging trends and potential risks to consumers.

“These regulations take an innovative approach to overseeing emerging financial service providers and will help the DFPI protect consumers across a range of products and services in need of formal oversight here in California,” said DFPI Commissioner Clothilde V. Hewlett.

The CCFPL was enacted in 2020 with the passage of Assembly Bill 1864 (Límon, Chapter 57, Statutes of 2020) and went into effect in 2021. The CCFPL provides the DFPI authority to protect Californians from unlawful, unfair, deceptive, or abusive acts and practices (UDAAP) across the financial services marketplace. The Department has charged more than 300 violations under the CCFPL since it went into effect.

Financial service providers covered by the new regulations must file an application to register by February 15, 2025, to continue operating legally in the state. More information can be found at

<https://dfpi.ca.gov/ccfpl-registration/>. Registration will provide valuable data and insights to help inform changes to consumer protection laws and regulations in the future.

Background on the California Consumer Financial Protection Law (CCFPL)

In 2020, the California State Legislature passed the CCFPL as AB 1864 (Limón). Identifying gaps in consumer protection due to strict definitions in existing licensing laws, this law provided the DFPI with the appropriate authority to oversee areas of the financial marketplace previously unregulated in California, including debt settlement and debt relief services, private postsecondary education financing products, and income-based advance products. For more information on the CCFPL, visit dfpi.ca.gov/ca-consumer-financial-protection-law/.

About the DFPI

The California Department of Financial Protection and Innovation (DFPI) protects consumers, regulates financial services, and fosters responsible innovation. The DFPI protects consumers by establishing and enforcing financial regulations that promote transparency and accountability. We empower all Californians to access a fair and equitable financial marketplace through education and preventing potential risks, fraud, and abuse. Learn more at dfpi.ca.gov.

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