



STATE OF CALIFORNIA

Department of Financial Protection and Innovation

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

For Immediate Release

June 8, 2023

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DFPI Reports Continuing Success in Implementation of California Consumer Financial Protection Law

Significant Gains in Enforcement, Complaints, Consumer Outreach

SACRAMENTO – The Department of Financial Protection and Innovation (DFPI) announced today it has made significant progress growing its reach and impact in key areas affecting California consumers, two years into implementing one of the most expansive consumer financial protection laws in the nation.

The Department’s [second annual report](#) on the [California Consumer Financial Protection Law \(CCFPL\)](#) highlights expanded activities in 2022 related to rulemaking, enforcement, supervision, complaint handling, stakeholder outreach, and consumer education. The report also details the ongoing development of new Department functions including the Consumer Financial Protection Division, New Covered Persons program, Office of Financial Technology Innovation, and a Communications and Outreach Division, responsible for working with historically underserved communities that include veterans, senior citizens, students, and new Americans.

Now considered a national leader in consumer protection and responsible innovation, the DFPI is leveraging its authority under the CCFPL to enforce multiple consumer financial laws and respond to emerging products, services, and scams. In addition, the law has empowered the Department to take groundbreaking actions and increase collaboration with other state and federal regulators.

“The Department continues to make substantial progress implementing the California Consumer Financial Protection Law. The resulting expansion of consumer protection and fostering of responsible financial innovation show remarkable success,” said DFPI Commissioner Clothilde V. Hewlett. “We remain committed to accomplishing the goals of Governor Gavin Newsom and are grateful to all stakeholders, including the Legislature, consumer advocates, industry partners, small businesses, community-based organizations, and many others for their continued input and support.”

Enhanced visibility of the Department has resulted in an increase in consumer awareness of the DFPI as a resource. Complaints to the DFPI have risen and there has been a corresponding increase in enforcement actions.

Key takeaways from the 2022 CCFPL Report:

- 196 investigations related to the CCFPL, an increase of 85 percent from 2021.
- 1,318 complaints regarding products and services subject to the CCFPL, which is slightly more than double the number of complaints received in 2021. The top two complaint types were debt collection and crypto assets, followed by student loan servicers, "neo banks," and credit reporting.
- 402 CCFPL-related complaints regarding crypto assets, a 238 percent increase from 2021. Enforcement opened 110 crypto-related CCFPL investigations, and the DFPI launched a [Crypto Assets Consumer Alerts](#) landing page on the DFPI website and issued 67 public actions and 65 consumer alerts to help consumers navigate the volatility of the crypto assets market.
- Approximately 105,000 people statewide attended DFPI targeted outreach and education events focused on reaching specific targeted communities, including People of Color (primarily Black and Latino), Older Adults and Seniors, Military Servicemembers and Veterans, Students, and New Americans and Immigrants.
- Launched a statewide multilingual and multichannel communications campaign to increase consumers' awareness of the DFPI's expanded mission through the CCFPL. The three-month campaign generated 55.7 million impressions statewide.

In 2020, the Legislature passed the CCFPL as AB 1864 (Limón). Identifying gaps in consumer protection due to strict definitions in existing licensing laws, this new law provided the DFPI with the appropriate authority to oversee areas of the financial marketplace previously unregulated by the DFPI, including but not limited to debt settlement and debt relief services, private postsecondary education financing products, and earned wage access products. The Department now also licenses debt collectors.

The [2022 CCFPL annual report](#) has been posted to the DFPI website.

About DFPI

The Department of Financial Protection and Innovation protects consumers, regulates financial services, and fosters responsible innovation. 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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