

Annual Report of Activity Under the  
**California Consumer  
Financial Protection Law**  
2023

Report required by  
Financial Code § 90018



**DFPI**

DEPARTMENT OF FINANCIAL  
PROTECTION & INNOVATION

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April 2024

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April 2024

The Department of Financial Protection and Innovation (DFPI) is pleased to publish its 2023 Annual Report of Activity Under the [California Consumer Financial Protection Law](#) (CCFPL) as required by Financial Code Section 90018.

The following annual report details actions taken during the prior year under the CCFPL, including but not limited to rulemaking, enforcement, oversight, consumer complaints and resolutions, education and outreach, and the activities of the Office of Financial Technology and Innovation. This report represents the third full year of CCFPL implementation and highlights data and statistics related to CCFPL implementation activities for the calendar year reporting cycle, January 1, 2023, through December 31, 2023.

The CCFPL, and the actions the DFPI has taken under its authority, have positioned California as a national model for consumer protection. The law also clearly establishes the DFPI's authority to investigate and sanction unlawful, unfair, deceptive, or abusive acts and practices (UUDAAP) in the financial services marketplace under both California and federal law.

A key element of the Department's mission is advancing economic mobility, particularly through expanding access to financial products and services among underrepresented and underbanked communities. Access, innovation, and strong consumer protections can change the reality for our most vulnerable communities. The implementation and enforcement of the CCFPL is critical for building a strong and resilient California economy.

The investment from the Administration and the Legislature in the DFPI and CCFPL is having a tremendous positive impact on Californians. We have made incredible progress, and there is still more to do.

I hope you find the report informative and useful. Please do not hesitate to contact our Deputy Commissioner of Legislation, Nicole Hisatomi, with questions or concerns. She can be reached at (916) 539-0181 or at [nicole.hisatomi@dfpi.ca.gov](mailto:nicole.hisatomi@dfpi.ca.gov). The report can also be found on the [DFPI website](#).

Sincerely,

Clothilde V. Hewlett  
Commissioner  
Department of Financial Protection and Innovation

# Executive Summary

The annual report and data presented in this publication are unaudited and cover activities related to the CCFPL in the calendar year reporting cycle, January 1, 2023, through December 31, 2023.

In 2023, the DFPI:

- Experienced a 70 percent increase in CCFPL-related consumer complaints from 2022. The top two CCFPL-related complaints involved crypto assets (41 percent) and debt collectors (36 percent).
- Opened 734 CCFPL-related investigations, a 274 percent increase from 2022, and issued 181 public CCFPL actions, a 93 percent increase from 2022.
- Launched a nationally recognized web-based consumer protection tool, the Crypto Scam Tracker, to help Californians spot and avoid crypto scams. The tracker was featured in the *Los Angeles Times*, among other publications.
- Implemented a new consumer complaints portal to improve complaint management, increase data quality, and enhance the consumer's experience.
- Advanced two significant rulemaking packages. The first empowers the DFPI to better protect small businesses against unlawful, unfair, deceptive, or abusive acts and practices (UDAAP), and the second, once adopted in 2024, will create registration and reporting requirements for four previously unregistered products and services in California.
- Reached nearly 30,000 consumers at targeted outreach and education events.



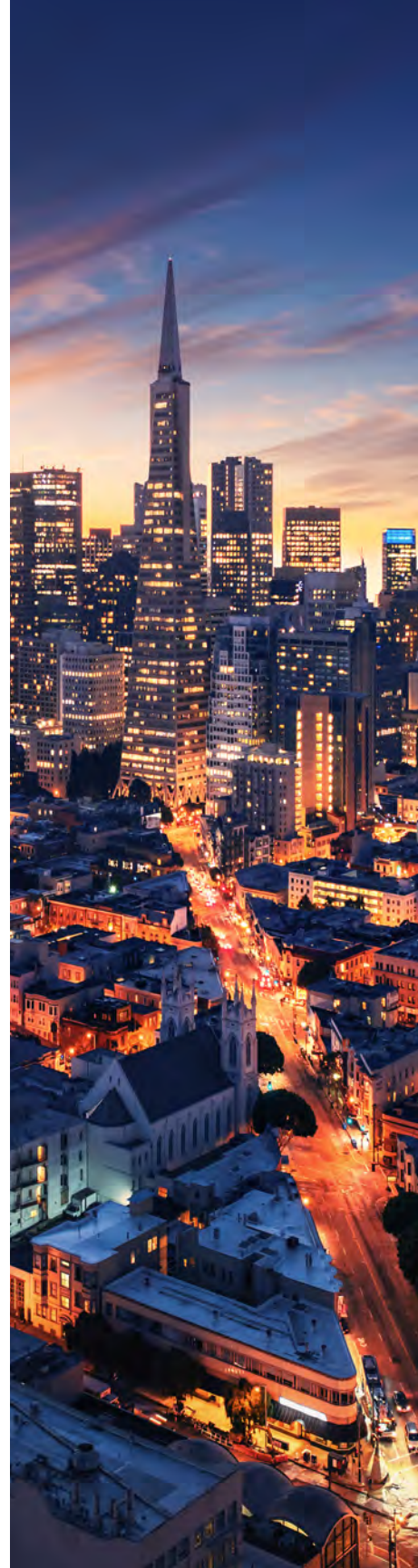
- Promoted two statewide multilingual and multi-channel communications campaigns generating nearly 200 million impressions, 23 million video views, and 1.25 million clicks by consumers to learn more.

## About the DFPI

The Department of Financial Protection and Innovation (DFPI or the Department) protects consumers and fosters trust by regulating companies and individuals offering financial products and services. In 2020, the Legislature passed Assembly Bill 1864 (Limón), the [California Consumer Financial Protection Law](#) (CCFPL), to identify gaps in consumer protection due to strict definitions in existing licensing laws. This law provides the DFPI with broad general authority to oversee financial products and services previously unregulated by the DFPI.

The law created a Consumer Financial Protection Division, an Office of Financial Technology Innovation, and an Office of the Ombuds. [The Consumer Financial Protection Division](#) has the authority to supervise and register financial service providers previously unregulated by the DFPI, conduct targeted outreach to communities historically underserved throughout the State, and have a market monitoring and research arm to keep up with consumer trends.

The [Office of Financial Technology Innovation](#) provides early guidance to entrepreneurs developing financial products and services in California to spur job creation and safeguard consumers. The [Office of the Ombuds](#) provides an impartial review of complaints and resolutions to improve and streamline department operations.



# Key Accomplishments

## Regulatory Activities

In 2023, the Department advanced two regulatory packages under the CCFPL:

- **Small Business Disclosures:** The first package, which became effective October 1, 2023, empowers the DFPI to better protect small businesses against unlawful, unfair, deceptive, or abusive acts and practices (UUDAAP). The rule provides essential clarifications of what an unfair, deceptive, or abusive act or practice is in connection with providing commercial financing or other financial products or services to small businesses. The rule clarifies that such practices are unlawful, and thereby empowers the Department to pursue bad actors who exploit small businesses. The small business rule also requires annual reporting from providers of small business financing, which enhances DFPI oversight and promotes transparency in the marketplace.
- **New Registration and Reporting Requirements:** The second package, pending final approval by Office of Administrative Law, will leverage CCFPL authority to create registration and reporting requirements for four previously unregistered products and services in California: 1) income-based advances, including "earned wage access" (EWA) products, 2) private postsecondary education financing, 3) debt settlement, and 4) student debt relief. The package also complements the [California Financing Law](#) (CFL) by clarifying that a cash advance to be repaid from a consumer's income is a loan and that tips are charges, as defined by the CFL. This includes cash advances that some providers call "earned wage access" products.

The regulations clarify that optional payments (including tips) collected by CFL licensed lenders are charges under that law. All these clarifications strengthen the CFL by preventing future evasions of the law and ensuring that CFL-licensed lenders cannot circumvent the CFL. If finalized, the DFPI will begin examining these providers in these industries to ensure they are operating in compliance with applicable laws.

Through these regulations, the DFPI is serving as a national model for more robust consumer protections in these emerging financial products and services. If adopted, the DFPI will be the first state agency to clarify by regulation that cash advances that providers call “earned wage access” are loans under state law and will be the first state agency to exercise jurisdiction of income-based advance providers by regulation rather than by statutory enactment. The DFPI will also be the first state agency to clarify by regulation that tips and other optional amounts collected are charges under our state lending law.

## Legislative Activities

The CCFPL grants the DFPI authority to enforce any California or federal consumer financial law pursuant to Financial Code section 90003, subdivision (a)(2). While the CCFPL confers general authority over consumer financial products and services, new legislation supplements the CCFPL by establishing licensing requirements and standards for specific industries. The following three pieces of legislation, chaptered in 2023, amend laws the DFPI may enforce under the CCFPL:

- **AB 39 (Grayson):** Beginning July 1, 2025, any person seeking to engage in crypto asset business activity of more than \$50,000 annually with or on behalf of a California resident will be required to obtain a license from the DFPI. The law requires DFPI to create a licensing regime for certain crypto activities, process applications, investigate applicants, process annual reports, impose fees, conduct exams, approve stablecoins, and take enforcement actions as needed. The law allows the DFPI Commissioner to issue a conditional license to an applicant pending compliance with certain requirements. [Assembly Bill 39](#) in combination with [Senate Bill 401](#) comprise the [Digital Financial Assets Law](#) (DFAL).
- **SB 401 (Limón, Chapter 871, Statutes of 2023):** Requires the DFPI to regulate crypto kiosks by limiting the amount of money or crypto assets a person can withdraw from a kiosk, requiring a written disclosure prior to a transaction, capping transaction fees,



requiring receipts with specific information, and requiring DFPI to post a public list of kiosk locations.

- **SB 478 (Dodd, Chapter 400, Statutes of 2023):** Makes it an unlawful business practice to advertise, display, or offer a price for a good or service that does not include all mandatory fees or charges, except as provided or exempted.

## Enforcement Activities

In 2023, DFPI's Enforcement Division (Enforcement) significantly increased its activity under the CCFPL, including nearly tripling the number of investigations conducted and nearly doubling the number of public actions issued.

In a year of unprecedented growth in the volume of complaints received, Enforcement worked to further DFPI's mission to protect consumers while maintaining fair and open markets. Enforcement's three strategic priorities for 2023 were: 1) continuing to take effective enforcement actions under the CCFPL; 2) taking necessary and appropriate enforcement actions against bad actors in the crypto industry as directed by the [Governor's May 2022 Executive Order](#); and 3) promoting collaboration through partnering with federal and state counterparts in multi-agency investigations, litigation, and task forces. Compared to previous years, the Department has received and reviewed an increasing number of CCFPL complaints, increased the number of CCFPL-related investigations and actions, and increased the amount of money returned to consumers.

DFPI's continued increase in enforcement activity parallels an increase in administrative capacity as the DFPI continues to expand its implementation of the CCFPL.

In 2023, DFPI's Enforcement team:

- Reviewed 920 referred CCFPL-related complaints
- Initiated 734 CCFPL-related investigations
- Issued 181 public CCFPL actions
- Doubled CCFPL-related penalties in comparison to 2022, with a total of \$268,900 collected
- Returned \$103,471 to consumers in restitution and refunds

# Market Sectors Impacted by CCFPL Actions

The DFPI’s public actions to enforce the CCFPL affected several consumer financial products and services and their related market sectors, including:

- Fixed-obligation lending or financing
- Mortgage assistance relief services
- Income-based advances
- Debt collection
- Student debt relief services
- Private postsecondary education financing
- Rent-to-own
- Crypto assets and services

| Priority CCFPL Market Sectors                          | Number of Investigations | Number of Actions |
|--|--------------------------|-------------------|
| Crypto Scams and Investigations                        | 525                      | 132               |
| Fake debt collectors                                   | 172                      | 19                |
| Other  | 19                       | 12                |
| Private postsecondary education financing              | 5                        | 5                 |
| Student debt relief companies                          | 13                       | 13                |
| <b>Total CCFPL priority investigations and actions</b> | <b>734</b>               | <b>181</b>        |

## Crypto Assets

The DFPI holds a unique position to coordinate with state and federal regulators and to act swiftly to protect Californians. This is primarily due to the DFPI’s jurisdiction over securities and consumer financial services under multiple state laws which are implicated across many

types of crypto asset-related financial products and services.

The DFPI leveraged its authority under the CCFPL to proactively launch a nationally recognized consumer protection tool called the [Crypto Scam Tracker](#) to help Californians spot and avoid crypto scams. The tracker details apparent crypto scams identified through a review of the more than 2,000 complaints submitted to DFPI by the public in 2023 and allows California consumers and investors to do their own research and prevent harm to themselves and others. The Crypto Scam Tracker is a database that is searchable by company name, scam type, or keywords, allowing consumers to learn more about the crypto-specific complaints the DFPI has received. An accompanying glossary aims to help consumers better understand common scam types.

The Tracker gained national recognition and was the subject of an article in the *Los Angeles Times*. The Scam Tracker garnered over 200,000 page views from unique viewers and the average engagement time was double the average for any other DFPI webpage.

## Enforcement Cases of Note

### Debt Collection Sweep

In a continuation of a yearlong crackdown on unscrupulous debt collectors, DFPI issued enforcement actions against at least 15 entities for unfair, deceptive, or abusive acts or practices (UDAAP) in violation of the California Consumer Financial Protection Law (CCFPL) and related federal laws and regulations. The DFPI ordered the subjects to pay penalties for each of the actions, totaling over \$87,500. DFPI issued press releases on this sweep in January, June and October, and issued two educational pieces—one on [medical debt](#) and a second detailing [consumer rights](#), including updates in the law.

### DFPI v. Prehired

The DFPI was the only state regulator that joined the Consumer Financial Protection Bureau and 10 state attorneys general in a \$4.2 million civil settlement against Prehired, LLC (Prehired) in Delaware bankruptcy court. The DFPI secured a key legal victory for California consumers by relying on Title X of the Dodd-Frank Act to establish predicate violations of the CCFPL and secure access to the Consumer Financial Protection Bureau's (CFPB) victim restitution fund. Prehired and its related entities administered Income Share Agreements to finance students' tuition for "tech sales boot camps." Prehired deceptively buried terms

that required students to pay even if they never got a job and, in many cases, unilaterally increased their required minimum monthly payments without any evidence they had secured employment or experienced an increase in income. Under the settlement, eligible consumers can qualify for a full tuition refund. There were 80 known Californians impacted with losses of \$476,263. The Prehired case solidifies DFPI's position as a trailblazer in safeguarding consumers through the successful implementation of the CCFPL.

### **HomeMatters**

In February 2024, the DFPI secured a significant consumer protection victory for struggling home buyers against HomeMatters for operating an illegal loan modification scheme. The U.S. District Court for the Central District of California found HomeMatters liable for approximately \$16 million in victim restitution and \$3 million in CCFPL-related penalties. The ruling resolves a joint civil action filed in 2022 by the DFPI and United States Federal Trade Commission (FTC). The Court found that the defendants falsely promised to reduce homeowners' mortgage payments and prevent foreclosures, defrauding distressed homeowners out of millions of dollars. The defendants violated multiple federal and state laws, including the CCFPL. The ruling represents DFPI's first civil enforcement action filed jointly with the FTC.

### **Debt Services in Student Financing**

The DFPI achieved a settlement against California based EDU Doc Support LLC, for rescission and refunds for student borrowers. These victims were marketed student loan forgiveness and student loan modification services via unsolicited telephone calls where representatives claimed they could assist consumers in obtaining student loan relief. The settlement cited violations of the Telemarketing Sales Rule.

### **DFPI v. Flockjay**

In 2023, DFPI issued a Desist and Refrain Order and entered into a Settlement Agreement with Flockjay, a private postsecondary educational institution that purports to train jobseekers to work as sales development representatives at technology companies for not providing proper notices to students. In order to finance the cost of attendance for its online course, Flockjay offered Deferred Tuition Agreements (Agreements) to its students contingent on the student's future earnings. Students committed to paying Flockjay a fixed amount each month toward the cost of attending Flockjay's online courses. The DFPI found that the Agreements offered by Flockjay to California consumers did not contain proper

notices in violation of the Education Code, and Flockjay did not register with Bureau of Private Post Secondary Education.

### **DFPI v. OppFi**

The Department filed an action against Opportunity Financial, LLC (OppFi) alleging that OppFi is engaging in an unlawful and deceptive “rent-a-bank” ruse to evade compliance with the CFL in violation of both the CFL and CCFPL. OppFi is a Chicago-based non-bank entity that partnered with a Utah-chartered bank to offer loans to Californians with interest rates of up to 160 percent. A central issue of the litigation hinges on whether OppFi is the actual lender of money for the bank partnership loans. This case continues into 2024.

## **Consumer Financial Protection Division Activities**

In 2023, the Consumer Financial Protection Division (CFP or Division) continued the work to establish the DFPI as a national leader in consumer protection. The year was marked by significant milestones, including preparation for the first new registrants under the CCFPL expected in mid-2024.

The Division also continued its work in coordination with other divisions within the Department, as well as external governmental and community stakeholders, to identify products and services in need of greater oversight through licensing or registration and advise on rulemaking and enforcement efforts pursuant to the CCFPL, [Debt Collection Licensing Act](#) (DCLA), [Student Loan Servicing Act](#) (SLSA), and [Student Borrower Bill of Rights](#).

CFP staff supported the launch of the Department’s new consumer self-service complaint portal. The portal went live in August 2023 and has been successful in providing a friendlier user experience and more robust back-end data reporting capabilities to facilitate the Department’s goal of taking a data-driven approach to regulating consumer financial products and services.

## **New Covered Persons Program**

The Supervision and Registration of New Covered Persons (NCP) Program is responsible for supervisory activities under the CCFPL, including processing registration applications,

conducting regulatory examinations, collecting annual assessments, and collecting industry data through annual reporting. The program completed hiring and became fully staffed in early March 2023 and continued its focus on implementation and development of the program throughout the year. In anticipation of rulemaking on CCFPL registration being finalized mid-2024, the program has engaged in cross-division collaboration, establishing necessary infrastructure, and training its staff.

- **Cross-Division Collaboration:** The NCP Program has continued to work closely with DFPI's Legal Division in the development of CCFPL-related regulations. NCP Program staff are actively participating in several internal workgroups intended to coordinate the Department's policy, supervision, and consumer protection efforts, including on emerging issues.
- **Building Infrastructure:** The NCP Program is preparing to receive submissions of registration applications through the Nationwide Multistate Licensing System and Registry (NMLS), which could begin as early as the second quarter of 2024. NMLS onboarding activities, including development of registration types and NMLS checklists to guide applicants through the process, have been completed. DFPI's Information Technology Division has finalized development of our internal database to store and maintain CCFPL registration information that will flow from the NMLS system. While the technology infrastructure is in place, the NCP Program is in the final stages of developing written policies and procedures for staff to follow for efficient application processing. In addition, the Program developed blank template forms to capture industry data required annually, beginning in 2025, for each of the initial four registration categories and for commercial financing activities, as required by regulation. This is the first step in building the infrastructure to obtain this information electronically, which is expected to be completed by the fourth quarter of 2024.
- **Staff Training and Development:** Throughout 2023, the NCP program staff have been actively developing the policies and procedures to further their knowledge base and prepare them for supervisory activities under the CCFPL. This includes conducting research to increase their knowledge of the CCFPL, other relevant state and federal consumer protection laws, and CCFPL-related financial products and services. Additional training efforts have included external courses and meetings with other regulators on identifying violations of unlawful, unfair, or abusive acts and practices (UUDAAP), and internal training in areas such as communication, peer review standards, and teamwork.



- **Regulatory Activities:** The program has conducted preliminary market monitoring and research to identify additional financial products and services subject to the CCFPL that may require increased oversight and consumer protection. NCP Program staff reviewed complaints maintained in various complaint databases and compiled relevant articles and information on industries that may pose consumer harm or risks, especially when targeting vulnerable communities. This preliminary work will serve as a foundation for input and recommendations from stakeholders to inform the Department’s policy decisions on the next wave of registration priorities.

## Research and Market Monitoring

The Market Monitoring, Consumer Research, Insights, and Analytics Unit (Research Team) completed its hiring and became fully staffed in March 2023. During the past year, the unit finalized its Operations Manual which outlines its core values, goals and objectives, responsibilities of staff, research and data analytics framework, data management, and standards. The Operations Manual also defines the unit’s market monitoring function and strategy. The Research Team has developed its project intake process, so any DFPI program can easily request its services and be provided with a project plan that describes project workflow and scheduled milestones.

The Research Team has continued to closely coordinate with the DFPI’s Information Technology Division to establish data governance and best practices concerning data management and collection, including improving data warehousing capabilities. The unit has been instrumental in the implementation of the enhanced complaint portal and improvements to the Department’s internal complaint data coding and reporting. The creation of a dashboard that will help internal consumer complaint reporting and identifying trends and consumer risks is near completion.

Other examples of the Research Team’s work in 2023 include:

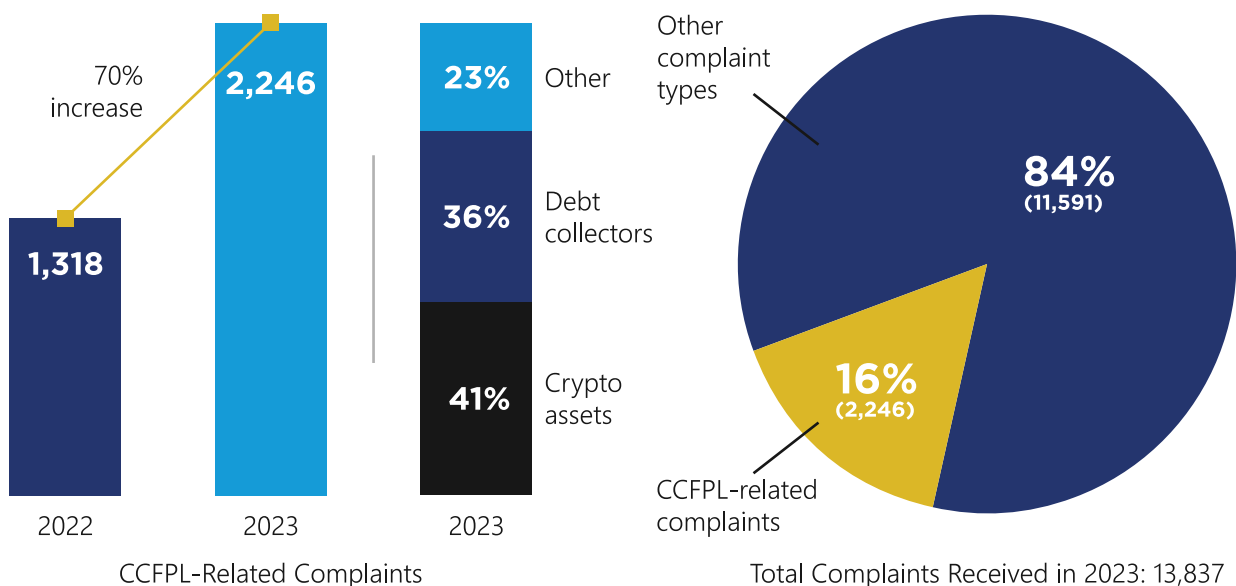
- Analysis of updated data from providers of financial products and services that fall within the scope of the CCFPL, such as earned wage access and home equity investment (also known as “shared appreciation”) contracts.
- Creation of several internal dashboards to assist the California Financing Law (CFL) program review and identify potential compliance issues from data collected during CFL examinations.

- Development of an internal “Market Watch” page, a centralized space for DFPI’s supervisory programs to proactively use various market data to identify trends and consumer risks.
- Tested resources that would enable the Department to identify consumer trends using social media data.
- Engagement with internal working groups on emerging issues.
- Advising roles related to research and data collection.

## Consumer Complaint Handling and Resolutions

In 2023, the DFPI received 2,246 complaints regarding products and services subject to the CCFPL, approximately 70 percent more than in 2022 (1,318 complaints). The overall increase in complaint volume from 2022 to 2023 likely occurred due to enforcement actions, crypto asset consumer alerts, and increased consumer outreach regarding DFPI’s expanded authority over financial products and services. CCFPL-related complaints comprise 16 percent of the 13,837 total complaints DFPI received in 2023.

The top two CCFPL-related complaints involved crypto assets (41 percent) and debt collectors (36 percent). Notably, the top complaint types for crypto asset complaints were related to scams or fraudulent activity. The DFPI processed crypto asset complaints for more than 400 unique crypto asset subjects, with two crypto entities accounting for 11 percent of all crypto asset complaints received in 2023.



In 2023, DFPI received 221 student loan servicing (SLS) complaints, 40 percent more than 2022 (158). Increased outreach and changes in the SLS landscape, most notably the resumption of federal student loan payments in October 2023, likely drove the increase in complaints. Specifically, 37 percent of SLS complaints received in 2023 were against Higher Education Loan Authority of the State of Missouri (MOHELA), the servicer responsible for handling the accounts of public service employees seeking Public Service Loan Forgiveness (PSLF). The DFPI Consumer Services Office partnered with the SLS program and the Student Loan Servicing Ombudsperson to assist with obtaining more timely complaint response from MOHELA. As a result, DFPI's Consumer Services Office received adequate responses from MOHELA on 82 percent of SLS complaints sent for a response in 2023.

The DFPI took action to improve data quality and complaint management implementing a new self-service complaints portal on the ServiceNow platform in August 2023. DFPI's Consumer Services Office was instrumental in the development, testing, and implementation of the complaint portal.

The DFPI complaint submission form was modeled after the Consumer Financial Protection Bureau (CFPB) and aims to enhance the consumer's experience. The portal allows consumers to provide additional details related to their complaint and pinpoint specific concerns. Additionally, consumers can create a user account allowing them to see their filed complaints and their status and upload documents directly to their complaint.

The Consumer Services Office worked with multiple DFPI programs to develop a detailed list of product and complaint types to better code complaints on the end user portion of the portal. Additional complaint types and product types were added for crypto assets and other new covered persons, to better code and describe complaints subject to the CCFPL.

## Office of Financial Technology Innovation Activities

During 2023, the Office of Financial Technology Innovation (OFTI) continued its activities to support responsible innovation in financial services through its core activities of engagement, thought leadership, and coordination. OFTI has deepened relationships with financial technology (fintech) stakeholders, expanded OFTI's thought leadership, and increased coordination with DFPI colleagues.

- **Stakeholder Engagement:** OFTI continued to build relationships with companies, venture capitalists, law firms, nonprofits, and fellow regulators in 2023. Over the past

year, OFTI hosted 130 meetings with diverse external stakeholders to discuss emerging products and services. This was a decrease of 117 meetings as compared to 2022, a decline that was anticipated due to the global decrease in available fintech funding, resulting in fewer new start-ups and new product launches. To drive additional engagement in light of the decline in stakeholders requesting meetings, OFTI worked with partners to launch a series of in-person office hours events. Partners over the past year included a venture capital firm, an industry group, and federal financial regulators. These events are held to answer stakeholder questions, enhance OFTI product expertise, and allow OFTI to better understand the challenges and opportunities in fintech today.

Additionally, OFTI continued to host weekly virtual office hours, where 18 organizations met with OFTI staff to share their stories with the DFPI and understand the DFPI's expectations. This also represents a decline of seven meetings year-over-year. To mitigate that decline, OFTI redoubled its efforts to engage at external fintech webinars, conferences, and events.

- **Thought Leadership:** OFTI provides fintech thought leadership on emerging products and services within DFPI and externally. The Office works with experts, thinkers, founders, and others to better understand advances in financial technology, new products and services, and consumer finance. In 2023, OFTI hosted 16 "Innovation Conversations," educational events open to DFPI employees and other California state staff, an increase of six events year-over-year. Featured experts have addressed critical issues, such as using innovation to increase access to safe and responsible products and services, deploying technology for effective oversight and enforcement, and identifying emerging trends in fintech. OFTI staff participated in nearly a dozen fintech events, speaking to audiences that included industry, advocates, media, law enforcement, lawmakers, and regulators.
- **Cross-organizational coordination:** The DFPI has supported a cross-organizational internal effort focused on certain aspects of AI in financial services oversight and regulation: 1) Internal Uses of AI, 2) Policy, 3) Regulatory Technology or RegTech, 4) Supervisory Technology or SupTech, 5) Consumer Protection and Automated Financial Advice, and 6) Fair Lending. Planned activities for 2024 include consumer education on scams and frauds related to AI and continuing to engage with our federal and state colleagues on emerging artificial intelligence issues as it relates to financial services and products.

## Office of Public Affairs Activities

In 2023, the Public Affairs Office focused on bolstering its consumer education and outreach programming, expanding the DFPI partnership network, and reaching more consumers through large-scale campaigns, earned media, and an optimized content strategy for DFPI digital channels.

### Education and Outreach

#### Targeted Outreach

The CCFPL established a Targeted Outreach function to focus on specific targeted communities that have been historically underserved by the financial industry. DFPI's Targeted Outreach strategy focused on building and developing partnerships with nonprofits, community-based organizations (CBOs), and other government agencies to support and expand programming across the state while also participating in and hosting events that would connect the Department to and engage with People of Color (primarily Black and Latino), Older Adults/Seniors, Military Servicemembers/Veterans, Students, and New Americans/Immigrants.

For 2023, the Targeted Outreach team hosted, presented in, or staffed a resource table for 247 in-person and virtual events, including 11 financial education webinars and 10 student loan webinars, with a total attendance of nearly 30,000 Californians. The Targeted Outreach team also distributed over 22,300 pieces of educational print materials.

#### Partnerships

In 2023, DFPI's Public Affairs Office initiated a partnership strategy centered on enhancing and deepening relationships with its network of nonprofit and community-based organizations statewide. This foundation of collaboration and shared goals aims to expand the reach of DFPI in its efforts to promote financial education and empowerment, generational wealth building, access to affordable financial services, and a more informed California consumer.

The Department established a Partnership and Events team to spearhead outreach expansion and in-depth research and analysis of state demographic characteristics to better understand and address the needs of targeted populations as outlined in CCFPL.

One example of this focus on relationship-building and collaboration was the Cal-

MoneySmart “roadshow” in September 2023. The CalMoneySmart program provides \$2 million in annual grants of up to \$200,000 to nonprofit organizations to provide financial education and financial empowerment programs and services for unbanked and underbanked Californians. As part of this year’s grant awards, the Office of Public Affairs coordinated 15 individual events with CalMoneySmart grant recipients. Grant recipients and DFPI staff met one-on-one to discuss the most pressing challenges faced by the grantees and their program participants, along with the ways the DFPI can help. As a part of this effort, the DFPI also welcomed 13 state legislative offices, including direct participation from 2 Senators and 3 Assemblymembers.

Other key outreach partnerships that were established in 2023 include:

- California African American Chamber of Commerce
- Agewell Fresno
- Area Agency on Aging (C4A)
- Asian Pacific Community Fund
- Asian Resources Inc.
- The California Association of Mortgage Professionals (CAMP)
- Central Valley Veterans
- The Central Valley Women’s Conference
- Golden State Opportunity
- The Los Angeles African American Employees Association
- The Los Angeles Public Library
- The Oakland Public Library
- Marine Corps Base Camp Pendleton
- The National Active and Retired Federal Employees Association (NARFE)
- The Santa Monica Public Library
- The United Way of Orange County
- Women's Economic Ventures

## Marketing and Communications

DFPI's digital strategy, aimed at educating the public about the California Consumer Financial Protection Law (CCFPL), centers on continuous communication on enforcement actions, consumer education topics, and emerging products, services, and risks. Employing streamlined methods for content creation, DFPI ensures the delivery of timely and relevant information, crafting content that aligns with our audience's interests and the DFPI's consumer protection mandate. As part of our commitment to enhancing engagement, the Public Affairs Office is exploring opportunities to strengthen real-time response capabilities, ensuring prompt interaction with our audience.



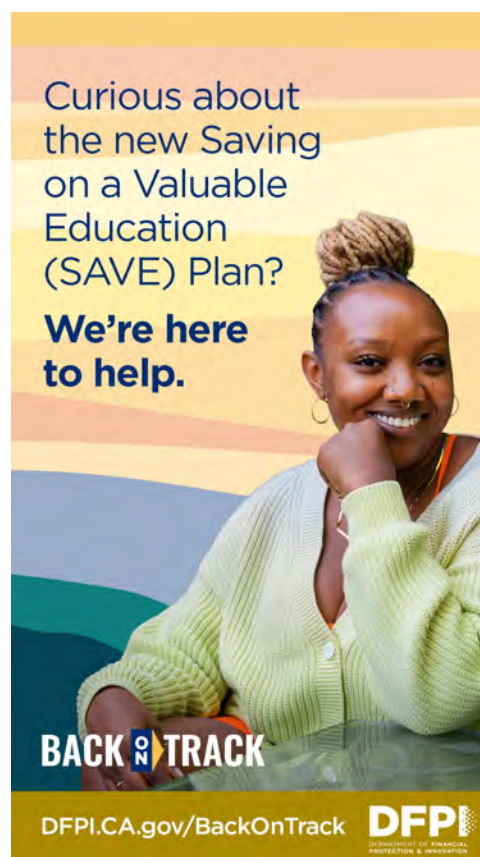
The Public Affairs Office worked to centralize data management across social media tools to capture more data for targeted emails and audience development, contributing to continuous performance improvement across all marketing and communications efforts.

## Campaigns

**Californians with Student Loans:** In 2023, the Public Affairs Office wrapped up a \$2.75 million public outreach and education campaign to promote information related to the federal repayment restart, debt relief, and filing loan-related complaints and inquiries. From August 2022 to its conclusion in September 2023, the paid media campaign generated over 153 million impressions and 771,000 clicks. Digital advertising from this campaign generated over 555,000 website visits and drew significant engagement with nearly 56,000 users proceeding to engage with more website content beyond the initial landing page, demonstrating the value and relevance of our resource offerings. The average time on page was 2:28 minutes, signifying users found the content compelling, useful, and informative.

- The Department conducted, hosted, or participated as a panelist in 49 in-person or virtual events and workshops focused on student loans, attracting more than 5,000 participants.
- The Student Loan Ombudsperson received 634 borrower inquiries and successfully facilitated \$1.39 million in loan forgiveness through the Public Service Loan Forgiveness (PSLF) program and assisted in forgiveness of \$120,000 through qualification under the Total/Permanent Disability (TPD) program and Income-Driven Repayment (IDR) plans, according to self-reports from borrowers.

**California Consumer Campaign:** DFPI's Public Affairs Office also developed and launched a state-wide outreach and education campaign to raise awareness of the DFPI and its role in securing the financial marketplace, protecting California consumers from emerging financial risks and fraudulent activity, and informing targeted populations of their rights and available resolution options. The





paid media campaign launched in August 2023 and in five months has generated more than 43 million impressions, 23 million video views, and 481,000 clicks. Digital advertising has also fueled more than 342,000 website visits. Campaign activities are ongoing into 2024. View more creative examples on DFPI channels:

- [Do Your Own Research](#) (YouTube)
- [Debt Collection Rights](#)

**Investor Protection Resource Center:** The DFPI pursued and received grants from the Investor Protection Trust (IPT) totaling \$469,500 to expand the California consumers campaign funded through the CCFPL to reach new and current California investors, provide information and resources to empower underserved communities to become more informed investors, and develop an online Investor Education Resource Center (IERC) within the DFPI website, which will launch in 2024.

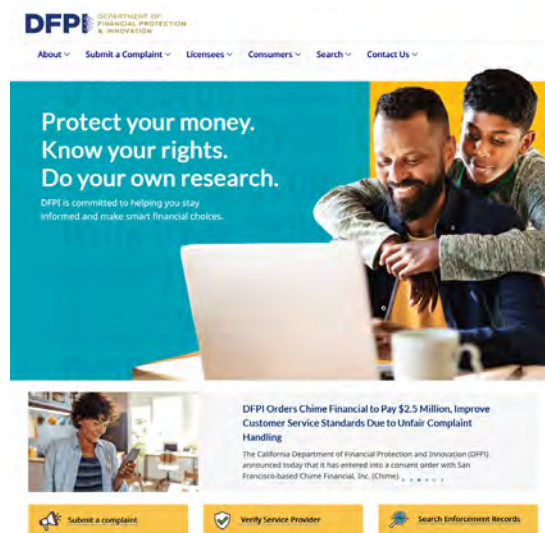
## Website

Total users visiting the DFPI website increased by 121 percent from 1,049,421 in 2022 to 2,320,281 in 2023. Multiple factors drove this continued upward trend, including the continued implementation of CCFPL, the Department’s communications and outreach efforts, and an increase in attention around the DFPI related to the banking challenges in early 2023. Statewide communications campaigns drove significant traffic to resources and information on the DFPI website, including approximately 897,000 total webpage views.



In 2023, DFPI's Public Affairs Office continued its focus on developing a more consumer-centered website. Consumer-focused updates and compliance activities for the website included:

- Publishing 37 press releases, 12 consumer alerts, and 28 consumer insights articles.
- Posting more than 1,800 website content updates.
- Remediating more than 1,000 documents for publishing on the website to achieve [web accessibility compliance](#).
- Developing several new pages and resources on the website to support various consumer-focused campaigns and initiatives, including:
  - [Updated consumer landing page](#)
  - [Protect Yourself From Fraud Booklet](#)
  - [Crypto Scam Tracker](#)
  - [Consumer Connection Newsletter](#)
  - [Consumer Insights](#)



The work to better serve and protect California consumers will continue in 2024 with the launch of a fully redesigned and reimagined public-facing website. This project began in August 2022 and has an anticipated go-live date of the second quarter 2024. The objectives of the website redesign project include:

- Prioritizing user-centered communications and outreach to consumers and industry.
- Expanding financial education throughout the state.
- Conducting proactive communications with stakeholders.
- Cultivating a deep knowledge of emerging products and services through early engagement with innovators, investors, and other stakeholders.
- Producing improved website data metrics.

# Social Media

In 2023, the DFPI social media strategy focused on increasing the number of consumers following our channels and developing engaging content to increase engagement.

These efforts resulted in a 25 percent growth in followers across all social media platforms. Our rich content strategy, consumer campaigns, and increased use of video resulted in a 771 percent increase in views on the DFPI’s YouTube channel, going from 12,818 in 2022 to 988,100 in 2023, coupled with an 11,100 percent increase in shares on LinkedIn.

DFPI remains dedicated to interactive communication, real-time support exploration for consumers, and leveraging data-driven approaches for navigating financial complexities for Californians. Going forward, we will continue to leverage our partnerships to gain reach through shares, likes, and audience engagement.

| <b>2022 CCFPL-Related Office of Public Affairs Activities</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> |
|---|-------------|-------------|-------------|
| Campaigns: Impressions/Circulation                            | N/A         | 175,684,362 | 196,000,000 |
| Outreach Events: Attendance                                   | 17,378      | 105,000     | 29,000      |
| Consumer Connection Newsletter: Subscribers                   | 640         | 2,710       | 2,881       |
| Website: Total Users  | 593,517     | 1,049,421   | 2,320,281   |

# Conclusion

The DFPI experienced significant growth and progress in its third year of implementing the CCFPL. The DFPI is grateful for the continued partnership with the Legislature as we move forward in implementing the CCFPL and new statutory authorities that further our consumer protection mission.

The DFPI continues to implement the CCFPL through rulemaking, enforcement, complaint handling, market research, proactive stakeholder outreach and communications, recruitment and hiring to enhance the operations and effectiveness of the DFPI.

The adoption of formal regulations in the coming months for the oversight of previous unregulated companies will allow the Department to begin overseeing additional sectors of the State's financial services marketplace.

The market research functionality of the DFPI will continue to expand as it develops in-house and collaborative research projects related to emerging financial services and products.

The Office of Financial Technology Innovation will continue to reach out to entrepreneurs, business innovators, and academics to facilitate the Department's monitoring and response to breakthroughs in financial services.

The Department expects continued success in effectively carrying out the mandate of the CCFPL to protect consumers and foster responsible financial innovation in California.



# DFPI

DEPARTMENT OF FINANCIAL  
PROTECTION & INNOVATION

