



Consumer Carnage

**How Federal Enforcement of Consumer-Protection Laws Has Declined
Under Trump**

March 13, 2019

Acknowledgments

This report was written by Alan Zibel, research director of Public Citizen's Corporate Presidency Project, with contributions from Rick Claypool, Public Citizen research director. The report was edited by Claypool and Robert Weissman, president of Public Citizen.

About Public Citizen

Public Citizen is a national non-profit organization with more than 500,000 members and supporters. We represent consumer interests through lobbying, litigation, administrative advocacy, research, and public education on a broad range of issues including consumer rights in the marketplace, product safety, financial regulation, worker safety, safe and affordable health care, campaign finance reform and government ethics, fair trade, climate change, and corporate and government accountability.



Public Citizen
1600 20th Street, NW
Washington, D.C. 20009
<http://www.citizen.org>

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Key Findings

Public Citizen examined enforcement cases at the Consumer Financial Protection Bureau (CFPB), Consumer Product Safety Commission (CPSC) and Federal Trade Commission (FTC) from 2015 through 2018. The analysis used the [Violation Tracker](#) database compiled by the Corporate Research Project of Good Jobs First. Public Citizen's analysis found that:

- During Trump's first two years in office, three U.S. consumer-protection regulators completed 84 cases with fines of \$5,000 or more, down 37 percent from 133 cases in President Barack Obama's last two years in office.
- Of these 84 consumer-protection cases completed during the Trump administration, 24 were completed under the leadership of Richard Cordray, the Obama appointed official who ran the Consumer Financial Protection Bureau through most of 2017. That leaves only 60 consumer-protection cases completed with Trump officials in charge of these three agencies.
- At the CFPB, enforcement activity sank by 54 percent once the Trump administration assumed control over the agency.
- The Consumer Product Safety Commission completed only three enforcement actions against corporations in 2018 and four in 2017, for a total of seven in Trump's first two years in office, compared with 13 in Obama's final two years.
- The Federal Trade Commission completed 40 enforcement actions against corporations during Trump's first two years in office, down 31 percent from 58 cases in Obama's final two years.

Methodology note: The Violation Tracker database tracks cases with enforcement penalties of \$5,000 or more. Public Citizen's analysis is limited to those cases.

Introduction: Who Does Government Work For?

Members of Donald Trump's administration have made abundantly clear they perceive their function as serving and assist corporations instead of holding them accountable for lawbreaking. Trump-appointed regulators routinely side with giant corporations over consumers, with Trump's regulators, even referring to the companies and industries they regulate or oversee as "customers."¹

Trump's appointees' apparent belief that enforcement of consumer-protection laws should be a last resort represents a dramatic about-face from Trump's campaign claim that he was "not going to let Wall Street get away with murder."² In truth, Trump has allowed industry after industry to get away with just about anything.

Table 1 : U.S. Consumer Agency Cases Against Corporations 2015-2018

	Consumer Financial Protection Bureau	Consumer Product Safety Commission	Federal Trade Commission	Grand Total
2015	41	7	30	78
2016	23	6	28*	55
2017	24	4	13	43
2018	11	3	27	41
Grand Total	99	20	98	217

*FTC tally for 2016 includes two 2017 cases from before Trump's inauguration

Source: Analysis of Violation Tracker database and agency press releases.

A case in point is the Consumer Financial Protection Bureau, an agency designed to advocate for ordinary consumers in the wake of the financial crisis a decade ago. Rather than crack down on predatory lending, Trump's former acting director, Mick Mulvaney, wrote that he would no longer "push the envelope"³ when enforcing consumer-protection laws. Mulvaney even asserted that the CFPB works for "those who use credit cards and *those who provide the credit*; those who take out loans and *those who make them*; those who buy cars and *those who sell them*."⁴ (emphasis added).

Another flagrant example of Trump installing leaders to consumer protection agencies who then defer to corporate interests is the acting chair of the Consumer Product Safety Commission, who openly expressed her disdain for penalizing companies that selling unlawfully unsafe products. "We should be hoping for zero penalties," said Anne Marie Buerkle, the CPSC's acting chairman.⁵ Rather than imposing fines on corporate wrongdoers, Buerkle's view is that the agency should work with

¹ Jesse Hamilton, "Trump Watchdog Tells Banks He Really, Really Likes Them," Bloomberg News (April 9, 2018), <https://www.bloomberg.com/news/articles/2018-04-09/trump-picked-watchdog-tells-banks-he-really-really-likes-them>

² Rick Claypool, "Donald Trump, Clean Government Reformer?" Public Citizen (Nov. 15, 2016), <http://bit.ly/2NIZO6T>

³ Mick Mulvaney, "The CFPB Has Pushed Its Last Envelope," The Wall Street Journal (Jan. 23, 2018), <https://on.wsj.com/2T09SKy>

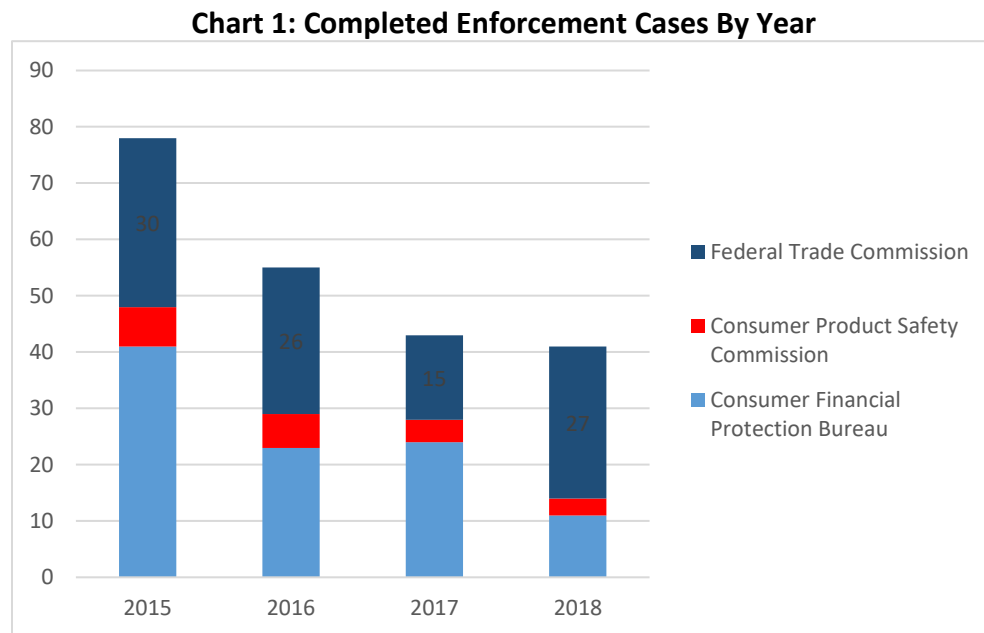
⁴ Ibid.

⁵ Press Release, "Statement of Commissioner Ann Marie Buerkle on the Commission's Growing Civil Penalty Settlements," U.S. Consumer Product Safety Commission (May 25, 2016), <http://bit.ly/2FC7bw6>

companies to ensure they know their obligations and comply with the law. But when companies fail to comply, Buerkle is routinely opposed to imposing fines.

In a similar vein former acting Federal Trade Commission Chair, Maureen Ohlhausen fretted about what she saw as the agency's "unnecessary and disproportionate costs on businesses,"⁶ and even called for the agency to display "regulatory humility" in enforcement.⁷

This hostility to enforcement from federal agency leaders, as well as the shift toward considering regulated industry as partners or customers has had an immediate effect. In almost every agency under control of a Trump appointee, enforcement of consumer-protection regulations against corporations has fallen.



Source: Analysis of Violation Tracker database and agency press releases.

⁶ Maureen K. Ohlhausen, "Antitrust Policy for a New Administration," U.S. Federal Trade Commission (Jan. 24, 2017), <http://bit.ly/2BWpKHB>

⁷ *Ibid.*

Consumer Financial Protection Bureau

“If I can protect consumers without filing lawsuits, why would I file lawsuits? Lawsuits are sort of the last resort.” - Mick Mulvaney, former acting director, Consumer Financial Protection Bureau⁸

CFPB Enforcement Trends

Enforcement actions at the Consumer Financial Protection Bureau have plunged under Trump’s watch. Under Trump, the CFPB:

- Took a five month break from enforcement activity, announcing no resolutions of cases from late November 2017 until April 2018.
- Completed 11 enforcement actions of \$5,000 or more against corporations in 2018, down 54 percent from 24 in 2017, when the CFPB was still run by an Obama appointee.
- Penalized companies nearly \$896 million in 2018, the highest level since 2015. However, more than 90 percent of these penalties were from two cases against large banks: a \$500 million fine for Wells Fargo over mortgage and car loan practices a \$335 million for Citibank over credit card interest rates. Penalties in the remaining nine cases totaled \$61 million.
- Filed only one new contested lawsuit, a September 2018 case against a California company that allegedly targeted retirees with high-interest loans misleadingly labeled as “pension advance” products.
- In at least 10 instances, the CFPB moved to terminate investigations of financial firms, or settled cases for lowered fines, no fines or no refunds.

Background

Congress created the Consumer Financial Protection Bureau in response to the predatory home mortgage lending practices that resulted in the disastrous 2008 financial crash, the ensuing wave of home foreclosures and a severe recession. The CFPB was conceived by Elizabeth Warren, then a Harvard Law School professor, in a paper titled “Unsafe at Any Rate,” an homage to Public Citizen founder Ralph Nader’s “Unsafe at Any Speed.” Before the financial crisis and recession, federal bank regulators failed to heed prescient warnings⁹ of reckless lending practices and instead focused on ensuring robust industry profits at the expense of consumer protection. In reaction, consumer

⁸ Yuka Hayashi, “CFPB Enforcement Is Back—With a Softer Touch” Wall Street Journal (July 26, 2018) <https://on.wsj.com/2SZRnG5>

⁹ Center for Responsible Lending “Losing Ground: Foreclosures in the Subprime Market and Their Cost to Homeowners” (December 2006) <https://www.responsiblelending.org/research-publication/losing-ground-foreclosures-subprime-market-and-their-cost-homeowners>

advocates argued that a dedicated agency with a sole focus on protecting consumers could help the nation avoid a recurrence of such destructive practices.

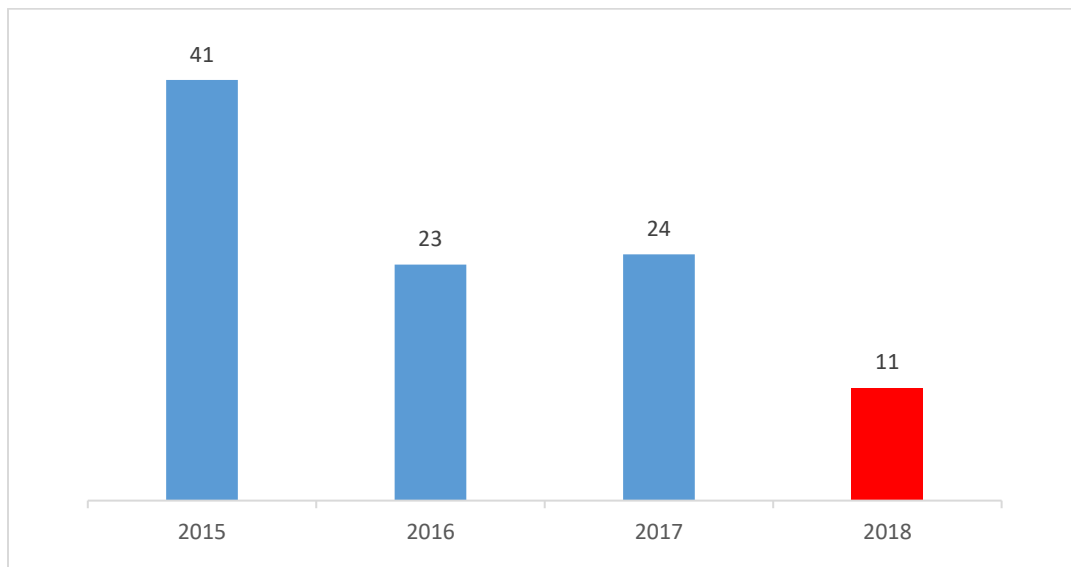
Table 2: Consumer Financial Protection Bureau cases against corporations 2015-2018

Year	Cases	Administration	Penalties
2015	41	Obama	\$2,041,105,846
2016	23	Obama	\$481,582,488
2017	24	Obama*	\$222,504,935
2018	11	Trump	\$895,752,000

**Note: The CFPB was under control of a Trump official by late 2017, but did not announce any enforcement actions under Trump until April 2018.*

Source: Public Citizen analysis of Violation Tracker database and press releases. Penalties include fines and remediation to consumers.

Chart 2: Completed CFPB Enforcement Cases By Year



Source: Public Citizen analysis of Violation Tracker database and CFPB press releases.

A Corporate Watchdog, Diminished

Under CFPB Director Richard Cordray, a former Ohio attorney general, the agency made aggressive enforcement a top priority. Cordray remained in charge of the agency for the first 11 months of the Trump administration until his departure in November 2017 to run for governor of Ohio. Cordray was replaced by former Rep. Mick Mulvaney, a former Republican member of Congress from South Carolina. Mulvaney served in a dual role as acting CFPB director and head of the Office of Management and Budget. Mulvaney is now acting White House chief of staff.

While in Congress, Mulvaney was openly hostile to the CFPB, saying that “I don’t like the fact that [the] CFPB exists, I will be perfectly honest with you.”¹⁰ He has openly bragged about his receptivity to corporate influence, describing his tenure in Congress as essentially a pay-for-play operation. “If you’re a lobbyist who gave us money, I might talk to you,” Mulvaney told an audience of bankers in April 2018.¹¹ Public Citizen examined companies subject to the most complaints in the CFPB database and found that 19 of 30 contributed more than \$140,000 to Mulvaney’s congressional campaigns.¹²



After taking office, Mulvaney moved almost immediately to impose a freeze on new enforcement actions,¹³ which extended for several months.¹⁴ Mulvaney also stripped the CFPB’s fair lending office of its enforcement powers¹⁵ and was far from enthusiastic about the agency’s mission, saying: “We are still enforcing the law....I have not burnt the place down.”¹⁶

Mulvaney would later assert that, under his watch, the agency is ending “regulation by enforcement,”¹⁷ a longstanding talking point of industry groups.¹⁸ The agency’s press releases, once filled with plain-English statements about companies’ bad conduct, are now written in legalese and lack much detail about the allegations against companies. One *National Law Journal* headline read:

¹⁰ Transcript of U.S House Financial Services Committee hearing from June 25, 2015 accessed at:

<https://www.govinfo.gov/content/pkg/CHRG-114hhrg96998/html/CHRG-114hhrg96998.htm>

¹¹ Renae Merle, “Mulvaney discloses ‘hierarchy’ for meeting lobbyists, saying some would be seen only if they paid,” The Washington Post (April 25, 2018) <https://wapo.st/2SZKXXz>

¹² Michael Tanglis, “Pay To Play On Display” Public Citizen (May 8 2018) <http://bit.ly/2TuOPju>

¹³ Renae Merle, “Mick Mulvaney is now one of the most powerful bureaucrats in the country,” The Washington Post (Nov. 30, 2017), <https://wapo.st/2TOACua>

¹⁴ Ken Sweet, “Under Trump and Mulvaney, CFPB has filed no enforcement actions since November,” The Associated Press (April 10, 2018), <https://www.usatoday.com/story/money/economy/2018/04/10/under-trump-mulvaney-cfpb-has-filed-no-enforcement-actions/502451002/>

¹⁵ Renae Merle, “Trump administration strips consumer watchdog office of enforcement powers in lending discrimination cases,” The Washington Post (Feb. 1, 2018), <https://wapo.st/2SZKTHj>

¹⁶ Ken Sweet, “Mulvaney insists consumer watchdog is still doing its job,” The Associated Press (April 11, 2018) <https://www.apnews.com/6e13194f11424e5580e744e0420eeca9>

¹⁷ Ryan Smith, “Mulvaney promises to end CFPB ‘regulation by enforcement’,” Mortgage Professional America, (May 18, 2018), <https://www.mpamag.com/news/mulvaney-promises-to-end-cfpb-regulation-by-enforcement-100952.aspx>

¹⁸ Thomas J. Donohue “CFPB Drama Underscores Need for Greater Accountability” U.S. Chamber of Commerce (Dec. 11, 2017) <https://www.uschamber.com/series/your-corner/cfpb-drama-underscores-need-greater-accountability>

"Mulvaney's CFPB News Releases Embrace Industry's Yearning for Soft Touch."¹⁹ Mulvaney summed up his philosophy of regulatory passivity in an interview with the *Wall Street Journal*, saying: "If I can protect consumers without filing lawsuits, why would I file lawsuits?...Lawsuits are sort of the last resort."²⁰

Dropped Cases, Lowered Penalties, Weak Settlements

In the weeks after Trump's takeover of the CFPB, Mulvaney quickly announced plans to reconsider rules imposing restrictions on high-rate payday loans. Mulvaney also eliminated enforcement authority from a CFPB office designed to combat racial bias in lending, requested zero funding for his first quarter of operations and placed political operatives from the House Financial Services Committee, in key supervisory positions.²¹ In February 2019, the CFPB handed payday lenders what the *Washington Post* described as a "major victory" by proposing to rescind a requirement that lenders evaluate borrowers' ability to pay back their loans.²²

After putting enforcement cases on hold for several months, the CFPB reached its first new settlement of the Mulvaney era on April 20, 2018 – a \$1 billion settlement with Wells Fargo. It included a \$500 million fine paid to the CFPB and \$500 million paid to the Office of the Comptroller of the Currency. Trump himself had previously telegraphed that such a penalty was in the works by taking to Twitter to criticize a *Reuters* story indicating that Mulvaney was reviewing how much Wells Fargo should pay to resolve the case.²³ He tweeted:



Donald J. Trump
@realDonaldTrump

Fines and penalties against Wells Fargo Bank for their bad acts against their customers and others will not be dropped, as has incorrectly been reported, but will be pursued and, if anything, substantially increased. I will cut Regs but make penalties severe when caught cheating!

10:18 AM · Dec 8, 2017 · Twitter for iPhone

¹⁹ C. Ryan Barber, "Mulvaney's CFPB News Releases Embrace Industry's Yearning for Soft Touch," *The National Law Journal* (July 3, 2018), <https://www.law.com/nationallawjournal/2018/07/03/mulvaney-s-cfpb-news-releases-embrace-industrys-yearning-for-soft-touch/>

²⁰ Yuka Hayashi, "CFPB Enforcement Is Back—With a Softer Touch" *Wall Street Journal* (July 26, 2018) <https://on.wsj.com/2SZRnG5>

²¹ Robert O'Harrow Jr., Shawn Boburg and Renae Merle "How Trump appointees curbed a consumer protection agency loathed by the GOP" *Washington Post* (December 4, 2018) <https://wapo.st/2T0AmM3>

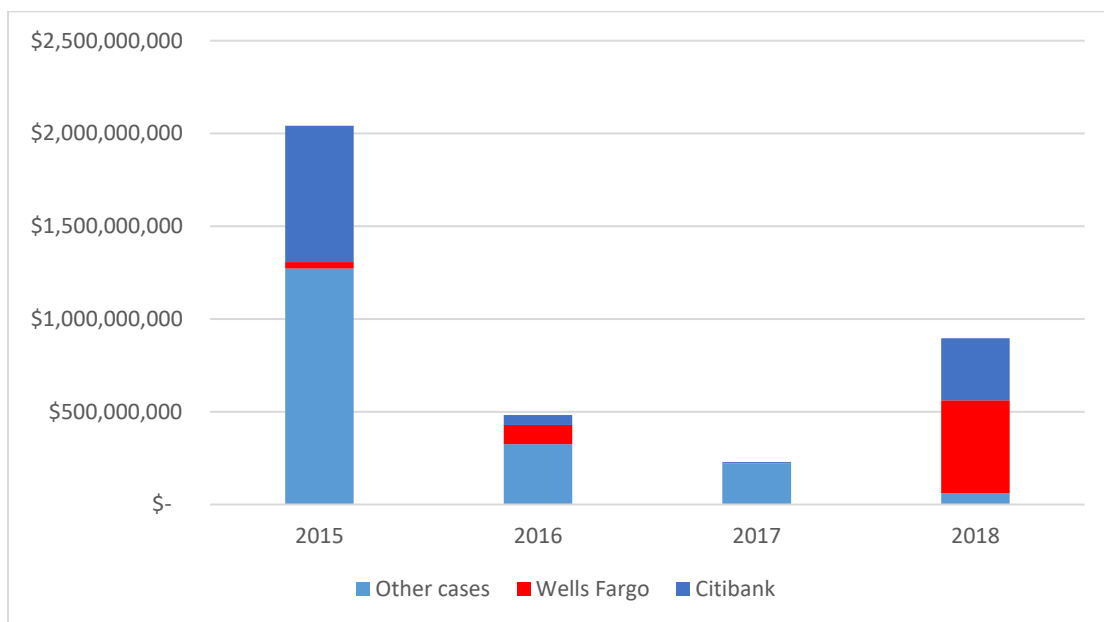
²² Renae Merle, "Trump administration hands payday lenders a major victory," *Washington Post* (February 7, 2018) <https://wapo.st/2HZTxEl>

²³ Patrick Rucker, Pete Schroeder, "Wells Fargo sanctions are on ice under Trump official" *Reuters* (Dec. 7, 2017) <https://reut.rs/2TmZBs7>

In the CFPB's consent order with Wells Fargo²⁴, the agency alleged that the bank charged inappropriate fees to mortgage borrowers who wanted to lock in interest rate quotes while waiting for loans to close. The CFPB also said that Wells Fargo forced hundreds of thousands of car loan borrowers to pay for duplicative or unnecessary insurance for their vehicles, leading at least 27,000 customers to have their vehicles repossessed. But in announcing the settlement, Mulvaney declined to condemn or even describe the bank's conduct, issuing a statement that said little other than "We have said all along that we will enforce the law. That is what we did here."²⁵

In reality Mulvaney deserves little credit for the Wells Fargo settlement. "Investigations that take many months or even years, and that are just now being finalized, are due to the aggressive work my team did to bring predatory behavior to light," said Cordray, who was running for governor of Ohio at the time. "To suggest this is the work of Mulvaney, who has done nothing but throw sticks in the spokes of a talented, hard-working CFPB team of devoted public servants is preposterous."²⁶

Chart 3: CFPB Penalties By Year



Source: Public Citizen analysis of Violation Tracker database and CFPB press releases.

²⁴ Consumer Financial Protection Bureau consent order with Wells Fargo Bank filed April 20, 2018. Accessed at: <http://bit.ly/2T4WLaQ>

²⁵ Press Release, "Bureau of Consumer Financial Protection Announces Settlement With Wells Fargo For Auto-Loan Administration and Mortgage Practices" (April 20, 2018) <https://www.consumerfinance.gov/about-us/newsroom/bureau-consumer-financial-protection-announces-settlement-wells-fargo-auto-loan-administration-and-mortgage-practices/>

²⁶ Francine McKenna, "Mulvaney's first fine at CFPB is second-largest in history of agency" MarketWatch (April 21, 2018) <https://on.mktw.net/2T2wPwK>

The Wells Fargo settlement did not include an estimate of how much in refunds would be paid to consumers, and actually allowed the bank to make its own judgments about which customers had suffered enough harm to receive relief.²⁷ It delegated oversight over consumer refunds to the OCC, leading consumer advocate Ed Mierswinski to wonder why the CFPB allowed Wells Fargo to establish its own remediation plan and ceded oversight “to the notoriously bank-friendly OCC?”²⁸

Since the Wells Fargo settlement was reached, there have been signs of problems in the bank’s consumer-remediation plans, with Reuters reporting that OCC rejected Wells Fargo’s initial plan to repay auto-loan customers due to a lack of detail on how the bank intended to locate and compensate overcharged customers.²⁹

Unlike Wells Fargo, Citibank was able to settle a major CFPB enforcement action without any fine. This settlement, reached in June 2018, resolved allegations that Citibank overcharged credit card consumers by failing to evaluate and reduce interest rates for 1.75 million consumers who had previously experienced an interest rate hike. Citi agreed to pay back \$335 million in refunds to consumers, but was not required to pay a fine. The CFPB noted that the bank “self-identified and self-reported the violations to the Bureau, and self-initiated remediation to affected consumers.”

The lack of a fine in the Citi case upset Sen. Sherrod Brown (D.-Ohio), the top Democrat on the Senate Banking Committee. “When a bank cheats over a million customers out of more than \$300 million, there should be a penalty, not an ‘attaboy’ for confessing,” Brown said in a statement. “The CFPB should be aggressively fighting for consumers, not looking the other way when banks take advantage of customers.”³⁰ And in February 2019, Rep. Maxine Waters (D.-Calif.) and Rep. Al Green (D.-Texas) issued a formal request for documents from the CFPB to determine why three of the agency’s recent settlements contained no redress for consumers.³¹

Under Trump, the CFPB has moved to terminate investigations, settled cases, imposed lowered fines, no fines or no refunds in at least 10 instances under Trump.

Golden Valley Lending: Early in January 2018, the CFPB dropped a federal lawsuit filed against four tribally owned payday lending companies, alleging they were trying to collect on debt that was not valid.³² These companies, including Golden Valley Lending and three other entities were sued by the CFPB in 2017 and accused of attempting to collect on debts that

²⁷ Tobie Stanger, “Where the \$1 Billion From the Wells Fargo Settlement Goes” Consumer Reports (April 20, 2018) <https://www.consumerreports.org/wells-fargo/where-one-billion-from-wells-fargo-settlement-goes/>

²⁸ Ed Mierzwinski, “Will Flawed CFPB Wells Fargo Consent Order Be Reopened to Help Victims?” U.S. Public Interest Research Group (April 25, 2018) <http://bit.ly/2T6mK1z>

²⁹ Patrick Rucker, “U.S. regulators reject Wells Fargo’s plan to repay customers - sources” Reuters, September 11, 2018 <https://reut.rs/2T9q1x5>

³⁰ Jesse Hamilton and Jennifer Surane, “Citi Avoids CFPB Fine for Overcharging Cardholders \$335 Million” (June 29, 2018) <https://bloom.bg/2T8YGLE>

³¹ U.S. House Financial Services Committee, “Waters and Green Request Documents from Consumer Bureau on Recent Settlements” (February 7, 2019) <http://bit.ly/2NKJLFv>

³² Steve Vockrodt, “Payday lender Scott Tucker gets 16 years, 8 months in prison for \$2 billion ripoff scheme” Kansas City Star (January 05, 2018) <https://bit.ly/2MhNB8y>

were invalid because their interest rates exceeded state interest-rate caps.³³ The case represented an effort by the CFPB to challenge the lenders' arguments that loans made by tribal businesses do not need to comply with state-imposed interest rate caps due to tribes' status as sovereign nations. The decision signaled that "the CFPB is going to stand down on the online payday lenders who refuse to comply with state interest-rate caps," Christopher Peterson, a former CFPB official and law professor, told *Bloomberg News*.³⁴

World Acceptance: Also in January 2018, World Acceptance, a high-interest lender from Mulvaney's home state of South Carolina, announced that the CFPB had completed an investigation into its marketing and lending practices and would not initiate an enforcement action against the company.³⁵ World Acceptance previously made \$4,500 in campaign contributions to Mulvaney's campaigns for the House of Representatives.³⁶ The Greenville, S.C.-based company's business practices and treatment of consumers was the subject of a 2013 ProPublica investigation.³⁷ After the CFPB closed its probe, the former CEO of World Acceptance, Janet Matricciani, even sent her resume to Mulvaney, saying she would "love to apply" to be the CFPB's permanent director, according to correspondence obtained by the watchdog group Allied Progress.³⁸

³³ Press Release, "CFPB Sues Four Online Lenders for Collecting on Debts Consumers Did Not Legally Owe" Consumer Financial Protection Bureau (April 27, 2017) <https://www.consumerfinance.gov/about-us/newsroom/cfpb-sues-four-online-lenders-collecting-debts-consumers-did-not-legally-owe/>

³⁴ Zeke Faux, "CFPB Signals Shift by Dropping Payday Lender Lawsuit" Bloomberg News (January 18, 2018) <https://bloom.bg/2T6BbCY>

³⁵ "Consumer Financial Protection Bureau Investigation of World Acceptance Corporation Completed" World Acceptance Corp. (January 22, 2018) <https://www.businesswire.com/news/home/20180122006623/en/Consumer-Financial-Protection-Bureau-Investigation-World-Acceptance>

³⁶ Data accessed at the Campaign Finance Institute's FollowtheMoney.org site <https://www.followthemoney.org/show-me?c-t-eid=6670008&d-eid=9549#f1|gro=d-id>

³⁷ Paul Kiel, "The 182 Percent Loan: How Installment Lenders Put Borrowers in a World of Hurt" ProPublica (May 13, 2013) <https://www.propublica.org/article/installment-loans-world-finance>

³⁸ Document made public by Allied Progress at: <https://bit.ly/2FuJntq>

From: (b)(6)

Subject: From Janet Matricciani Re: CFPB Director Position

Date: January 24, 2018 at 6:10:14 PM EST

To: (b)(6)

Mick,

I hope you are doing well. I have always enjoyed our interactions on business and regulatory situations ever since I became CEO of World Acceptance Corporation in 2015.

I am very pleased that the CFPB closed the investigation into World last Friday (Jan. 19th), and I wanted to let you know that I am no longer with the company as my last day was Monday (Jan. 22nd).

Now that I am available, I would love to apply for the position of director of the CFPB. Who better than me understand the need to treat consumers respectfully and honestly, and the equal need to offer

Excerpt of letter from Janet Matricciani to CFPB Director Mick Mulvaney obtained by Politico through an open-records request

Altisource Portfolio Solutions: Real estate technology company Altisource Portfolio Solutions disclosed ³⁹ in April 2018 that the CFPB had completed an investigation related to its a mortgage-loan technology platform used by mortgage-servicing company Ocwen Financial, which was spun off Altisource in 2009 and continued to have a business relationship with Altisource.⁴⁰ The CFPB accused Ocwen in a 2017 lawsuit of “failing borrowers at every state of the mortgage process.”⁴¹

Zillow Inc: In June 2018, real estate website Zillow disclosed in a regulatory filing,⁴² that the CFPB was dropping an investigation into whether a Zillow marketing program allowing lenders and real estate agents to advertise together violated a federal law barring real estate kickbacks. The CFPB’s decision to drop the case may signal a far weaker approach to scrutinizing business relationships between real estate agents, lenders and title companies, resulting in higher costs.⁴³

Security Finance: Installment lender Security Finance reached a \$5 million settlement in June 2018 with the CFPB over alleged abuses in debt-collection practices. Included in the CFPB’s complaint, but left out of the agency’s press release, were harrowing details about the company’s alleged practices, such as workers showing up at consumers’ homes or jobs without permission and sometimes visiting more than 10 times in a month as well as

³⁹ Ben Lane, "Altisource says CFPB will not fine company over relationship with Ocwen" HousingWire (April 26, 2018)

<http://bit.ly/2TOMA7d>

⁴⁰ Jon Prior "Ocwen, Altisource extend ties to keep costs down" HousingWire (Aug. 19, 2011) <http://bit.ly/2TIFQ44>

⁴¹ Ben Lane, "CFPB sues Ocwen, alleges total failure of mortgage servicing process" HousingWire (April 20, 2017)

<https://www.housingwire.com/articles/39917-cfpb-sues-ocwen-alleges-total-failure-of-mortgage-servicing-process>

⁴² Jessica Guerin, "CFPB drops case against Zillow" HousingWire (June 25, 2018) <http://bit.ly/2T9Ry1E>

⁴³ Ken Harney, "Consumer agency will not take action against Zillow" Washington Post (July 3, 2018) <https://wapo.st/2T88Tb3>

threatening consumers with jail and shoving them.⁴⁴ According to a report by *Reuters*, Cordray had wanted to pursue additional charges, plus at least \$8 million in refunds, over sales of a personal insurance product. But under Mulvaney a CFPB spokesman told *Reuters* that “the enforcement arms of government should not be used in order to shake down the productive sector just because we can, especially when the legal case is shaky at best.”⁴⁵

Synchrony Financial: Credit card issuer Synchrony Financial disclosed in July 2018⁴⁶ that the CFPB closed an investigation the bank’s credit-reporting practices without filing an enforcement case.

National Credit Adjusters: In July 2018, the CFPB reached a settlement over alleged abusive practices with National Credit Adjusters LLC, a Kansas payday loan debt collection firm. The CFPB said National Credit Adjusters worked with a network of debt-collection firms that threatened consumers and told consumers they owed more money than they actually owed. The settlement required a \$500,000 fine for National Credit Adjusters and \$300,000 for its former. However, *Reuters* reported that this settlement was far less aggressive than the CFPB had proposed under Cordray, who sought \$60 million in restitution and debt forgiveness.⁴⁷ Mulvaney’s decision to scale back the penalties appeared connected to a CFPB decision to no longer argue that payday loan debts to tribal entities are invalid when they exceed state-imposed interest-rate caps. “(Cordray) had a theory that was really out there and I think everything related to it is being pulled back,” a lawyer for National Credit Adjusters told *Reuters*.⁴⁸

State Farm: The CFPB did not impose a fine in a December 2018 settlement⁴⁹ with the banking subsidiary of insurance giant State Farm over its credit-reporting practices. This slap on the wrist came despite CFPB allegations that the bank, which markets loans to State Farm insurance customers, pulled credit reports without the permission of customers, started car loan applications for consumers without permission and provided incorrect information to credit-reporting firms.⁵⁰ Consumer advocates said the allegations deserved a serious penalty. Rep. Maxine Waters (D.-Calif), said she was “deeply troubled” by the announcement that State Farm “will not be held accountable for violating the law by improperly obtaining consumer

⁴⁴ Consumer Financial Protection Bureau consent order with Security Group Inc., filed June 13, 2018 and posted at <http://bit.ly/2TbuO12>

⁴⁵ Patrick Rucker, “Mulvaney-led U.S. CFPB slashes payday lender penalty: sources” *Reuters* (June 28, 2018) <https://reut.rs/2TaeVbt>

⁴⁶ Evan Weinberger, “Synchrony Avoids CFPB Credit Reporting Enforcement Action” *Bloomberg Law* (July 27, 2018) <http://bit.ly/2Tf4nrg>

⁴⁷ Patrick Rucker, “U.S. consumer watchdog fines debt collector, drops customer payouts” *Reuters* (July 13, 2018) <https://reut.rs/2TdFKeH>

⁴⁸ Patrick Rucker, “Trump official quietly drops payday loan case, mulls others - sources” *Reuters* (March 23, 2018) <https://reut.rs/2T8FRbp>

⁴⁹ Press release, “Bureau of Consumer Financial Protection Settles With State Farm Bank” (Dec. 6, 2018) <http://bit.ly/2GdTPPe>

⁵⁰ Consent order with State Farm Bank, FSB filed December 6, 2018 and posted at: https://s3.amazonaws.com/files.consumerfinance.gov/f/documents/bcfp_state-farm-bank_consent-order.pdf

reports and providing credit bureaus with inaccurate information.”⁵¹ A bank spokesman told *Auto Finance News* that “The concerns outlined in the consent order affected only a small percentage of credit card and vehicle loan applicants, and we are not aware of individual consequences to consumers.”⁵²

Mark Corbett: The CFPB also imposed a fine of only \$1 in a case involving a man accused of swindling veterans out of their retirement and disability benefits in exchange for expensive loans. The broker of high-interest loans, Mark Corbett, reached a settlement with the CFPB that involved a penalty of just \$1 after Corbett, argued he was not able to pay.⁵³ “It looks like the Trump-appointed political leadership at the CFPB is letting a person who preyed on veterans get away with a slap on the wrist,” said Center for Responsible Lending Litigation Counsel Will Corbett, a former CFPB attorney.⁵⁴

NDG Financial: The CFPB barred NDG Financial Corp. and several related companies from lending to customers in the U.S. The CFPB alleged that the companies, a group of payday lenders based in Canada and Malta, made misrepresentations to consumers – including claiming that the loans were not subject to U.S. law and that not paying them back would result in “lawsuits, arrests, imprisonment, or wage garnishment.” However, the CFPB’s settlement, filed in February 2019, failed to include any fine or remediation to consumers. One of the lawyers who previously represented NDG now works as a top Trump administration official in the Justice Department and wrote a memo justifying Trump’s appointment of Mulvaney as CFPB director in 2017.⁵⁵

The CFPB’s newfound affinity for the industries it regulates have caused financial firms to become more aggressive with a regulator they once feared. For example, student loan servicing firm Navient Corp. has been openly pressing the CFPB to drop its lawsuit against the company, filed in January 2017 during Cordray’s tenure. Navient’s CEO, Jack Remondi, met in 2018 with a top CFPB political appointee overseeing the agency’s enforcement division, according to *Politico*.⁵⁶ Remondi had previously asked for a meeting directly with Mulvaney, according to a letter obtained by *Politico* through an open-records request. In a July 2018 conference call with financial analysts, Remondi again pushed for the CFPB to drop the case, saying: “You’ve had five years to look for your evidence, you’ve found none....It’s time to move on.”⁵⁷

⁵¹ Press Release, House Financial Services Committee, “Waters Statement on the CFPB’s Weak Settlement With State Farm Bank” (December 13, 2018) <https://financialservices.house.gov/news/documentsingle.aspx?DocumentID=401664>

⁵² Nicole Casperson, “State Farm Bank Pays No Fine, Ordered to Adjust Practices After CFPB Settlement” *Auto Finance News* (December 14, 2018) <http://bit.ly/2Tklibb>

⁵³ CFPB consent order filed January 23, 2019 and posted at: <http://bit.ly/2T9TjM8>

⁵⁴ Press Release, Center for Responsible Lending “Trump Appointee Issues One Dollar Fine for Scamming Veterans” (Jan. 23, 2018) <http://bit.ly/2G7p7hO>

⁵⁵ David Dayen, “White House Memo Justifying CFPB Takeover Was Written By Payday Lender Attorney” *The Intercept* (Nov. 27, 2017) <https://interc.pt/2BhsNae>

⁵⁶ Michael Stratford, “Navient CEO Met With CFPB as Company Seeks to End Lawsuit” *Politico Morning Education* (June 28, 2018) <http://bit.ly/2v4c48Y>

⁵⁷ Kevin Wack, “Navient chief to CFPB: ‘Time to move on’” *American Banker* (July 25 2018) <http://bit.ly/2TgV22c>

NAVI=NT

Jack Remondi
President and Chief Executive Officer
123 S. Justison Street
Wilmington, DE 19801
Telephone: 302-283-8460
E-Mail: Jack.Remondi@navient.com

February 22, 2018

The Honorable Mick Mulvaney
Acting Director
The Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

Dear Acting Director Mulvaney:

I am writing with respect to the open litigation between the Consumer Financial Protection Bureau and Navient. Based on various news reporting, it is my understanding that you are reviewing all enforcement and legal actions. I would appreciate the opportunity to meet with you in person to discuss student loans in general, the work Navient does and the extraordinarily positive results we achieve, the respective roles of the Bureau and the Department of Education in the regulation of federal student loans, and the facts regarding our matter. As we have consistently stated, we believe the allegations made by the Bureau against our company in January 2017 are unfounded.⁵⁸ We remain confident that an impartial review of the facts will support this view and confirm our positive track record of supporting borrower success.

I firmly believe that the Bureau plays an important role to help protect consumers and to help ensure they have access to a competitive marketplace of cost-effective financial products that meet their financial needs. I also believe that financial services providers should work with the Bureau to ensure that markets function with a clear set of rules, a high level of integrity and with strong protections for consumers. Until the start of the litigation, Navient consistently sought to be a productive partner with the CFPB, holding regular meetings with Director Cordray, the student loan ombudsman and Bureau policy personnel.

Excerpt of letter from Navient CEO to CFPB Director Mick Mulvaney obtained by Politico through an open-records request

In December 2018, the Senate confirmed a Mulvaney aide, Kathleen Kraninger, to lead the CFPB. Kraninger, who had no previous experience in financial services, consumer protection or civil law enforcement, wrote in an e-mail to staff that officials should “always carefully weigh the costs and benefits to consumers of our enforcement activities and regulatory rulemakings.”⁵⁸ However, the Trump administration’s takeover has resulted in an exodus of key staff from the CFPB. As of September 30, 2018, the bureau had 1,510 employees,⁵⁹ down from 1,645 a year earlier.⁶⁰

⁵⁸ Kate Berry, “New CFPB Chief’s Memo to Staff: Enforce Law, But Don’t Presume Guilt,” American Banker (January 3, 2019) <http://bit.ly/2Tg4hjh>

⁵⁹ Semi-Annual Report of the Bureau of Consumer Financial Protection, (Feb. 12, 2019) https://www.consumerfinance.gov/documents/7266/cfpb_semi-annual-report-to-congress_fall-2018.pdf

⁶⁰ Semi-Annual Report of the Bureau of Consumer Financial Protection (April 12, 2018) https://www.consumerfinance.gov/documents/6408/cfpb_semi-annual-report_spring-2018.pdf

Consumer Product Safety Commission

“We should not be hoping for multi-million dollar penalties. We should be hoping for zero penalties.”

- Anne Marie Buerkle, acting chairman of the Consumer Product Safety Commission

Background

CPSC Enforcement Trends

Public Citizen’s analysis found that the CPSC:

- Completed three enforcement actions against corporations in 2018 and four in 2017, for a total of seven in Trump’s first two years in office, compared with 13 in Obama’s final two years.
- Imposed \$32.1 million in penalties during 2018, up from \$21.3 million in 2017 for a total of \$53.5 million over the past two years, down slightly from \$56.1 million in 2015 and 2016 combined.
- Completed no enforcement actions in the fourth quarter of 2017 or the first quarter of 2018, until it reached a record-high \$27 million settlement with Polaris Industries Inc. over off-road vehicle safety.¹

Created by legislation signed by President Richard Nixon in 1972, the Consumer Product Safety Commission protects the public against injuries and deaths from consumer products. The CPSC has delivered⁶¹ immense benefits to the public including safety standards for products including lawn mowers, pill bottles, infant cribs, flammable clothing and household furnishings, toys and bicycles, reducing deaths and injuries despite intense resistance from companies and their lobbyists.⁶² In 2008, Congress passed the bipartisan Consumer Product Safety Improvement Act, backed strongly by Public Citizen and other consumer groups. This important legislation required that toys and infant products be tested before they are sold, banned the toxic substances lead and phthalates from children’s products, and created a comprehensive publicly accessible consumer complaint database.⁶³

⁶¹ “Who We Are - What We Do for You,” U.S. Consumer Product Safety Commission, (viewed on April 25, 2018), <https://www.cpsc.gov/Safety-Education/Safety-Guides/General-Information/Who-We-Are---What-We-Do-for-You>

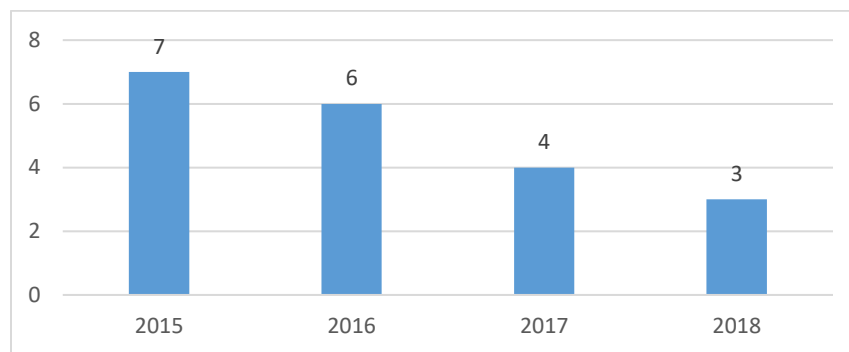
⁶² R. David Pittle, “Re: Nomination of Michael Baroody to be CPSC Chairman,” Letter submitted to the Honorable Daniel K. Inouye Chairman, Senate Committee on Commerce, Science, and Transportation (April 25, 2007), <https://www.citizen.org/our-work/government-reform/letter-former-cpsc-head-pittle>

⁶³ Press Release, “10th Anniversary of Consumer Product Safety Improvement Act,” U.S. PIRG, (Aug. 14, 2018) https://www.citizen.org/sites/default/files/cpsia_fact_sheet_011709.pdf

Table 3 : Consumer Product Safety Commission cases against corporations 2015-2018

Year	Cases	Administration	Penalties
2015	7	Obama	\$18,800,000
2016	6	Obama	\$37,300,000
2017	4	Trump	\$21,350,000
2018	3	Trump	\$32,100,000

Source: Public Citizen analysis of Violation Tracker database and press releases.

Chart 4: CPSC Enforcement Cases By Year

SOURCE: Public Citizen analysis of [Violation Tracker database](#).

A Regulator Out to Help Industry

The Trump administration in February 2017 named Commissioner Anne Marie Buerkle as acting chairman of the lead the CPSC.⁶⁴ Buerkle, a former Tea Party Republican congresswoman, has a record of opposing strong mandatory health and safety regulations, including a standard that would reduce the risk of finger amputations from table saws⁶⁵ and rules to protect drivers from unstable recreational off-highway vehicles. ⁶⁶ As acting chairman for more than two years, Buerkle has had broad power to oversee all of the commission's "executive and administrative functions"

⁶⁴ Press Release, "Ann Marie Buerkle Elevated To Serve As Acting Chairman of U.S. Consumer Product Safety Commission," U.S. Consumer Product Safety Commission (Feb. 10, 2017), <https://www.cpsc.gov/content/ann-marie-buerkle-elevated-to-serve-as-acting-chairman-of-us-consumer-product-safety>

⁶⁵ Chris Arnold, "Despite Proven Technology, Attempts To Make Table Saws Safer Drag On," National Public Radio (Aug. 10, 2017), <https://www.npr.org/2017/08/10/542474093/despite-proven-technology-attempts-to-make-table-saws-safer-drag-on>

⁶⁶ Press Release, "Statement of Commissioner Ann Marie Buerkle on the Proposed Standard for Recreational Off-Highway Vehicles (ROVs)," U.S. Consumer Product Safety Commission (Nov. 4, 2014)

according to the 1972 Consumer Product Safety Act, which created the agency.⁶⁷ Such discretionary power includes deciding whether to even bring a policy issue up for a vote before the whole commission.

In an interview with the *New York Times*, Buerkle said that the agency had become too “emotional” under Obama. “The agency is supposed to be data-driven and science-driven,” she said. “It’s not supposed to be emotional.”⁶⁸ Before Trump’s election, Buerkle decried efforts to celebrate “marquee penalties,” saying they should be a “last resort.” She said:

We should not be hoping for multi-million dollar penalties. We should be hoping for zero penalties — that is, a world in which every company subject to the [Consumer Product Safety Act] reporting requirements understands its reporting obligations and complies with them. And until that day comes, we should be trying to do everything we can to help firms understand how we interpret the requirements. There will be cases where penalties are entirely appropriate, but they should be more of a last resort. Consumers will be safer if we help companies prevent violations rather than celebrating marquee penalties.⁶⁹

Despite Buerkle’s appointment as acting chairman, the presence of a Democratic majority at the CPSC somewhat impeded her ability to fully implement a pro-corporate enforcement agenda. With the confirmation of a third Republican commissioner, Peter Feldman, a former aide to Sen. John Thune. (R., S.D.) in September 2018⁷⁰, the CPSC now has a Republican majority for the first time in a decade.⁷¹ Feldman joined another Trump appointee, Dana Baiocco, a former partner at the corporate law firm Jones Day⁷² who made a career representing corporate defendants⁷³ including R.J. Reynolds. Baiocco’s LinkedIn and Jones Day biography pages described her specialties as product liability and tort litigation, consumer products and recalls and class action litigation⁷⁴ and said she was part of a “multidisciplinary legal group prepared to respond in recall or crisis situations.”⁷⁵

⁶⁷Consumer Federation of America “The Consumer Product Safety Commission: The Powers of the Chairman” <http://bit.ly/2HbcGLC>

⁶⁸Sheila Kaplan, “Trump Pick to Head Consumer Safety Board Is Seen as Too Close to Industries,” *The New York Times* (Dec. 6, 2017), <https://www.nytimes.com/2017/12/06/health/consumer-safety-buerkle-gop.html>

⁶⁹Press Release, “Statement of Commissioner Ann Marie Buerkle on the Commission’s Growing Civil Penalty Settlements,” U.S. Consumer Product Safety Commission (May 25, 2016), <https://www.cpsc.gov/about-cpsc/commissioner/ann-marie-buerkle/statements/statement-of-commissioner-ann-marie-buerkle-0>

⁷⁰Press Release “Peter Feldman Confirmed as Commissioner of U.S. Consumer Product Safety Commission” U.S. Consumer Product Safety Commission (Sept. 2018) <https://www.cpsc.gov/content/peter-feldman-confirmed-as-commissioner-of-us-consumer-product-safety-commission>

⁷¹Peter Feldman Confirmed as Fifth Commissioner at CPSC, Ushering in a Republican Majority for First Time Since 2006. Mintz, Levin, Cohn, Ferris, Glovsky and Popeo PC.(September 25, 2018) <http://bit.ly/2Tf8OSV>

⁷²Alan Zibel, “Big Law, Big Conflicts: More than 75 Trump Administration Lawyers Present Revolving Door Concerns,” Public Citizen’s Corporate Presidency project (March 1, 2018), <https://corporatepresidency.org/biglaw/>

⁷³Sharon Lerner, “Trump’s Consumer Product Safety Nominee Defended Deadly Products,” *The Intercept* (Oct. 31, 2017), <https://theintercept.com/2017/10/31/trump-consumer-product-safety-commission-dana-baiocco/>

⁷⁴“Dana Baiocco,” LinkedIn profile (viewed on April 25, 2018), <https://www.linkedin.com/in/dana-baiocco-663215/>

⁷⁵“Dana Baiocco: Partner,” Jones Day accessed on Internet Archive Wayback Machine <https://web.archive.org/web/20171115041910/http://www.jonesday.com/dbaiocco/>

Buerkle has not been confirmed as chairman but continues as acting chairman and was re-nominated for the position in early 2018.⁷⁶ She says she prioritizes voluntary product standards over mandatory ones, arguing that voluntary standards “are quick to complete. There’s much more efficiency in implementation. And there’s much more buy-in from stakeholders.”⁷⁷ “But some of Buerkle’s colleagues have been skeptical of cooperation with industry. “More often than not, collaboration seems to be a code word for capitulation by the agency,” Elliot Kaye, a current Democratic commissioner who led the agency under Obama, told the *Washington Post*. “It’s gone pretty dark on civil penalty cases.”⁷⁸ Former CPSC commissioner Marietta Robinson, a Democrat, told the *Wall Street Journal* that Buerkle does “absolutely nothing that the regulated industry doesn’t want her to do”⁷⁹

Buerkle was the only CPSC commissioner to vote against a rule that would force generator makers to lower their carbon monoxide emissions, despite longstanding concerns about carbon monoxide poisoning from portable generators. After becoming acting chairman, Buerkle agreed with former EPA Administrator Scott Pruitt’s contention that the CPSC doesn’t have authority to limit carbon monoxide emissions from portable generators.⁸⁰ Buerkle even named portable generator industry lawyer, Patricia Hanz, to be the CPSC’s general counsel.⁸¹ Hanz’s former law firm represented a manufacturer of gasoline engines and power generators that has fought the CPSC’s effort to reduce generators’ carbon monoxide emissions, and Hanz was vice president of the Portable Generator Manufacturers Association’s board of directors.⁸²

The CPSC completed no enforcement actions in the fourth quarter of 2017 or the first quarter of 2018. However, the agency reached a record-high \$27 million settlement with Polaris Industries Inc. over off-road vehicle safety in April 2018,⁸³ the first CPSC enforcement action since the previous August.

‘Pretty Much No Relief at All’ Criticism of Stroller, Trash Can Settlements

Two of the CPSC’s most recent cases have attracted strong criticism from Democratic commissioners. The CPSC settled a complaint it had previously filed over reports that the front wheel on one brand of jogging strollers could detach suddenly and injure parents and kids. At least 50 children and 47

⁷⁶ Press Release, “Nominations Sent to the Senate Today,” U.S. White House (Jan. 8, 2018), <https://www.whitehouse.gov/presidential-actions/nominations-sent-senate-today-2/>

⁷⁷ Jesse Eisinger, “The Trump Administration Is Scuttling a Rule That Would Save People From Dying of Carbon Monoxide Poisoning,” ProPublica (Dec. 8, 2017), <https://www.propublica.org/article/the-trump-administration-is-scuttling-a-rule-that-would-save-people-from-dying-of-carbon-monoxide-poisoning>

⁷⁸ *Ibid.*

⁷⁹ Heidi Vogt, “Under Trump, Consumer Safety Agency Aims to Boost Cooperation With Business” *Wall Street Journal* (Aug 24, 2018) <https://on.wsj.com/2SVhNZC>

⁸⁰ Jesse Eisinger and ProPublica, “The Deaths That Come When an Industry’s Left to Regulate Itself,” *The Atlantic* (Dec. 8, 2017), <https://www.theatlantic.com/business/archive/2017/12/regulations-portable-generators-cpsc-buerkle/547781/>

⁸¹ Sheila Kaplan, “Trump Pick to Head Consumer Safety Board Is Seen as Too Close to Industries,” *The New York Times* (Dec. 6, 2017), <https://www.nytimes.com/2017/12/06/health/consumer-safety-buerkle-gop.html>

⁸² *Ibid.*

⁸³ Dee DePass, “Polaris hit with \$27.25 million penalty for failing to report vehicle problems,” *Star Tribune* (April 2, 2018), <http://www.startribune.com/polaris-industries-pays-27-25-million-settlement-to-consumer-product-safety-commission/478547013/>

adults were injured, according to the CPSC.⁸⁴ The agency's settlement with the stroller manufacturer, Britax, required⁸⁵ the company to conduct an "information campaign" instructing consumers on proper use of the strollers, offering repairs to some strollers or a 20 percent discount off a new stroller. However, the settlement still permitted Britax to avoid calling these repairs a recall.



Website instructing consumers on use of strollers: bobinfocampaign.britax.com

However, two Democratic commissioners, Robert Adler and Elliott Kaye, were highly critical of this agreement, writing that it does not do enough to alert consumers to the safety concerns about the stroller. "An agreement that provides relief without anyone being fully alerted to the nature of the relief is pretty much no relief at all" Adler and Kaye wrote, expressing concerns that other companies would seek similar kid-glove treatment.⁸⁶

The Republican majority on the CPSC also came under fire in a case involving a Chinese company, EKO, which agreed to pay \$1 million to settle allegations that it failed to report a defect in motion-sensor trash cans sold at Costco. At least 60 people filed complaints after being injured by the trash cans, whose back protective collar could become dislodged, exposing a sharp edge.⁸⁷ Democratic commissioners argued that EKO should pay a penalty at least as large as the \$3.85 million paid by Costco, which sold the trash cans exclusively but did not make them. "By almost any measure of culpability, EKO, the designer and manufacturer of the allegedly defective product warrants a civil penalty at least equal to that imposed on the retailer of the product," Democratic commissioners Robert Adler and Elliott Kaye wrote.⁸⁸

⁸⁴ Press Release, "CPSC Sues Britax Over Hazardous Jogging Strollers; Action Prompted by Ongoing Harm to Children and Adults from Stroller Wheel Detachment" (Feb. 16, 2018) <http://bit.ly/2TjLXWm>

⁸⁵ Press Release, "CPSC, Britax Settle Lawsuit Involving BOB Jogging Strollers" U.S. Consumer Product Safety Commission (Nov 20, 2018) <http://bit.ly/2Tg2SJU>

⁸⁶ Dissenting Opinion of Commissioner Robert S. Adler and Commissioner Elliot F. Kaye in the Matter of Britax Child Safety Inc. (November 9, 2018) <https://www.cpsc.gov/s3fs-public/050--2018-11-09-Dissenting-Opinion-of-Commissioners-Adler-and-Kaye.pdf?R5.QNCm4.rYC5DgnfkMABpfj7U7INic>

⁸⁷ Press Release, "Costco Agrees to \$3.85 Million Civil Penalty, Compliance Program for Failure to Report Defective Trash Cans," U.S. Consumer Product Safety Commission (Oct. 5, 2018) <https://www.cpsc.gov/Newsroom/News-Releases/2019/costco-agrees-to-385-million-civil-penalty-compliance-program-for-failure-to-report>

⁸⁸ Dissenting Opinion of Commissioner Robert S. Adler and Commissioner Elliot F. Kaye Regarding the Civil Penalty Settlement with EKO Development, LTD. And EKO USA, LLC, U.S. Consumer Product Safety Commission, (Nov. 19, 2018)

Federal Trade Commission

"I worry that the FTC imposes unnecessary and disproportionate costs on businesses. The most obvious examples occur when the Commission wrongly sues a firm to potentially devastating effect."

—Former acting FTC Chair Maureen K. Ohlhausen⁸⁹

FTC Enforcement Trends

Under Trump, the FTC:

- Completed 27 enforcement actions against corporations in 2018 and 13 after Trump's 2017 inauguration, for a total of 40 during Trump's two years in office. That is a 31 percent decline from the 58 cases in Obama's final two years.
- Imposed nearly \$4.3 billion in penalties during Trump's first year. The vast majority of those penalties were from a \$4 billion settlement with Volkswagen over sales of diesel vehicles sold with "defeat devices" that masked high emissions levels.
- Assessed \$467 million in penalties in Trump's first two years, excluding the historic Volkswagen "Dieselgate" settlement. That compares with about \$2 billion in penalties assessed during Obama's last two years in office, also excluding the VW settlement.

Background

The Federal Trade Commission was founded in 1914 to combat unfair competition in markets, and gained additional authority to also focus on antitrust and consumer protection. The FTC polices U.S. corporations for fraud, deception and other unfair business practices.⁹⁰ The agency also enforces antitrust law in conjunction with the Department of Justice, reviewing proposed corporate mergers and penalizing corporations that engage in anticompetitive behavior such as price-fixing and bid-rigging. In recent years, the FTC has increasingly focused on technology issues, but has faced criticism for being overly cautious, especially when it comes to penalizing technology firms' for privacy violations.⁹¹

<https://www.cpsc.gov/about-cpsc/commissioner/robert-s-adler-elliott-f-kaye/statements/dissenting-opinion-of-commissioner>

⁸⁹ Maureen K. Ohlhausen, "Antitrust Policy for a New Administration," U.S. Federal Trade Commission (Jan. 24, 2017), https://www.ftc.gov/system/files/documents/public_statements/1051993/antitrust_policy_for_a_new_administration.pdf

⁹⁰ "What We Do," U.S. Federal Trade Commission (viewed on April 24, 2018), <https://www.ftc.gov/about-ftc/what-we-do>

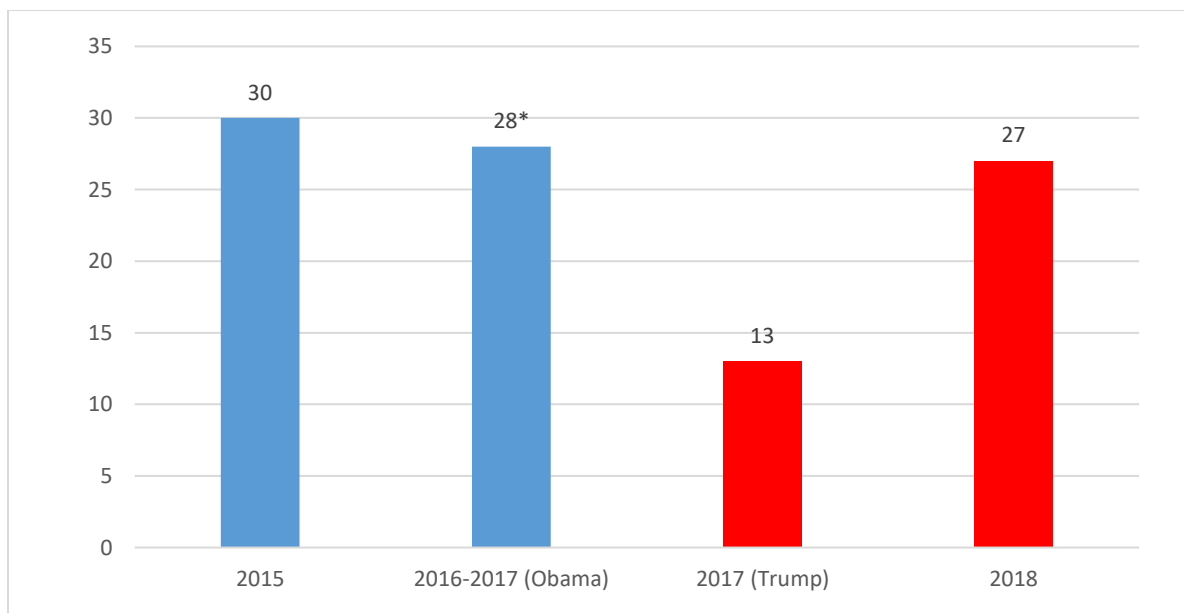
⁹¹ Nicholas Confessore and Cecilia Kang, "Facebook Data Scandals Stoke Criticism That a Privacy Watchdog Too Rarely Bites" New York Times (Dec. 30, 2018) <https://nyti.ms/2T06Vtr>

Table 4 : Federal Trade Commission enforcement cases against corporations 2015-2018

Year	Cases	Administration	Penalties
2015	30	Obama	\$1,532,546,459
2016-7	28*	Obama	\$475,316,094*
2017	13	Trump	\$4,299,500,000**
2018	27	Trump	\$167,509,862

*includes two 2017 cases that occurred before Trump's inauguration. Penalties include fines and remediation to consumers.

**4 billion came from VW settlement announced 2/1/17

Chart 6: FTC Enforcement Cases By Year

*includes two 2017 cases before Trump's inauguration

Acting FTC Chairman Espouses 'Regulatory Humility'

The FTC's transition to Republican control started even before Trump entered the White House. Before Trump's inauguration, Obama's FTC chair resigned.⁹² Less than a week into his presidency, Trump named Republican commissioner Maureen K. Ohlhausen as acting chairman.⁹³ During

⁹² Press Release, "FTC Chairwoman Edith Ramirez Announces Resignation," U.S. Federal Trade Commission (Jan. 13, 2017), <https://www.ftc.gov/news-events/press-releases/2017/01/ftc-chairwoman-edith-ramirez-announces-resignation>

⁹³ Press Release, "Statement of Acting FTC Chairman Ohlhausen on Appointment by President Trump," U.S. Federal Trade Commission (Jan. 25, 2017), <https://www.ftc.gov/news-events/press-releases/2017/01/statement-acting-ftc-chairman-ohlhausen-appointment-president>

Trump's first year in office, only two of the five commission seats were occupied: one by Ohlhausen, and one by Terrell McSweeney, a Democratic commissioner who served from 2014⁹⁴ through April 2018.⁹⁵

Just days after Trump's inauguration, Ohlhausen expressed serious concerns about the agency's impact on companies. ⁹⁶ "I worry that the FTC imposes unnecessary and disproportionate costs on businesses. The most obvious examples occur when the Commission wrongly sues a firm to potentially devastating effect," she said. Earlier that month, Ohlhausen dissented⁹⁷ from the agency's decision to sue Qualcomm for allegedly anticompetitive licensing practices.⁹⁸ She called for narrowing the scope of FTC investigations and expressed a desire for the agency to "approach its intervention decisions with a philosophy of regulatory humility."⁹⁹

In May 2018, Joseph Simons was sworn in as FTC chairman,¹⁰⁰ as were new FTC nominees Republican Joshua Phillips and Democrats Rebeca Kelly Slaughter and Rohit Chopra.¹⁰¹ A fifth Republican nominee, Christine Wilson, took the place of Ohlhausen, who left the agency in September 2018 to join law firm Baker Botts after withdrawing her nomination to a federal judgeship. ¹⁰²

Simons named Andrew Smith, a corporate lawyer at Covington and Burling, to lead the FTC's consumer protection bureau. Among dozens of corporate clients, Smith represented AMG Capital Management,¹⁰³ which in 2016 received a \$1.3 billion FTC penalty¹⁰⁴ over predatory lending

⁹⁴ "Commissioners," U.S. Federal Trade Commission (viewed on April 24, 2018), <https://www.ftc.gov/about-ftc/commissioners>

⁹⁵ Press Release, "FTC Commissioner Terrell McSweeney to Resign," U.S. Federal Trade Commission (April 16, 2018), <https://www.ftc.gov/news-events/press-releases/2018/04/ftc-commissioner-terrell-mcsweeney-resign>

⁹⁶ Maureen K. Ohlhausen, "Antitrust Policy for a New Administration," U.S. Federal Trade Commission (Jan. 24, 2017), https://www.ftc.gov/system/files/documents/public_statements/1051993/antitrust_policy_for_a_new_administration.pdf

⁹⁷ Maureen K. Ohlhausen, "Dissenting Statement in the Matter of Qualcomm, Inc." U.S. Federal Trade Commission (Jan. 17, 2017), https://www.ftc.gov/system/files/documents/cases/170117qualcomm_mko_dissenting_statement_17-1-17a.pdf

⁹⁸ Malathi Nayak, "Groups Urge Trump to Pursue FTC-Qualcomm Antitrust Suit," Bloomberg BNA (April 24, 2017), <https://www.bna.com/groups-urge-trump-n57982087012/>

⁹⁹ Maureen K. Ohlhausen, "Antitrust Policy for a New Administration," U.S. Federal Trade Commission (Jan. 24, 2017), https://www.ftc.gov/system/files/documents/public_statements/1051993/antitrust_policy_for_a_new_administration.pdf

¹⁰⁰ Press Release, "Joseph Simons Sworn in as Chairman of the FTC," U.S. Federal Trade Commission (May 1, 2018), <https://www.ftc.gov/news-events/press-releases/2018/05/joseph-simons-sworn-chairman-ftc>

¹⁰¹ Press Release, "Phillips, Slaughter, and Chopra Sworn in as FTC Commissioners," U.S. Federal Trade Commission (May 2, 2018), <https://www.ftc.gov/news-events/press-releases/2018/05/phillips-slaughter-chopra-sworn-ftc-commissioners>

¹⁰² <https://www.law.com/nationallawjournal/2018/12/06/ftcs-ohlhausen-to-join-baker-botts-bypassing-judicial-nomination/>

¹⁰³ Glenn Thrush and Jack Nicas, "A Lawyer for Payday Lenders Is Confirmed for F.T.C. Job," The New York Times (May 16, 2018), <https://www.nytimes.com/2018/05/16/us/andrew-smith-payday-lenders-consumer-protection.html>

¹⁰⁴ Press Release, "U.S. Court Finds in FTC's Favor and Imposes Record \$1.3 Billion Judgment Against Defendants Behind AMG Payday Lending Scheme," U.S. Federal Trade Commission (Oct. 4, 2016), <https://www.ftc.gov/news-events/press-releases/2016/10/us-court-finds-ftcs-favor-imposes-record-13-billion-judgment>

allegations that resulted in a 16-year prison term for the company's founder, Scott Tucker.¹⁰⁵ Smith was approved by a 3-2 party line vote among the commissioners, due to concerns about Smith's long list of corporate clients. Chopra, the Democratic commissioner and a former high-ranking official at the CFPB, said Smith's conflicts of interest mean he "may be unable to participate in some of the FTC's high-profile and consequential matters of intense public interest."¹⁰⁶

In a response to a public-records request from Public Citizen, the FTC released a list of 120 companies with whom Smith has conflicts. They include Twitter, Verizon, Wells Fargo, Microsoft, JPMorgan Chase, Goldman Sachs, Expedia, Citigroup, LinkedIn, Uber, Gilead Sciences and Facebook.¹⁰⁷

Under Simons, the FTC's enforcement activity has been roughly consistent with Obama's last year in office, and Simons has not taken the same anti-enforcement tone as Ohlhausen.¹⁰⁸ An antitrust lawyer who served as director of FTC's Bureau of Competition from 2001 to 2003,¹⁰⁹ Simons has emphasized the need for enforcement, telling Senate lawmakers in written testimony that he "brought more non-merger enforcement actions than in any comparable period two decades before or since, while remaining very active in merger enforcement as well." Simons also wrote that the FTC should "determine whether its merger enforcement has been too lax, and if that's the case, the agency needs to determine the reason for such failure and to fix it."¹¹⁰

Pressed by Sen. Maggie Hassan (D., N.H.) Simons also pledged to investigate the market for virtual goods sold in video games such as dance moves, weapons or clothing or enhanced video game abilities. The growing popularity of these so-called "loot boxes" has sparked concerns that they encourage addictive behavior in children, similar to gambling.¹¹¹

Simons also was strong in his denouncement of MoneyGram International Inc., which agreed to pay \$125 million to resolve allegations that it failed to comply with a previous FTC order to crack down on fraud in the money transfer system. Simons said in a statement that "MoneyGram's alleged failure

¹⁰⁵ Steve Vockrodt, "Payday lender Scott Tucker gets 16 years, 8 months in prison for \$2 billion ripoff scheme" Kansas City Star (January 05, 2018) <https://bit.ly/2MhNB8y>

¹⁰⁶ Rohit Chopra, "Statement of Commissioner Rohit Chopra Regarding the Commission's Votes to Appoint Senior Leadership" U.S. Federal Trade Commission (May 16, 2018) <http://bit.ly/2TjuRlq>

¹⁰⁷ Federal Trade Commission response to Freedom of Information Act request by Public Citizen, sent Nov. 30, 2018 and posted at: https://www.citizen.org/sites/default/files/andrew_smith_foia_appeal_response_11_30.pdf

¹⁰⁸ Brian Fung, "U.S. consumer watchdog to investigate video game loot boxes" Washington Post (Nov. 28, 2018) <https://wapo.st/2Bn7PJM>

¹⁰⁹ Press Release, "FTC Bureau of Competition Director Simons Passes Baton," U.S. Federal Trade Commission (July 10, 2003), <https://www.ftc.gov/news-events/press-releases/2003/07/ftc-bureau-competition-director-simons-passes-baton>

¹¹⁰ Questionnaire answers submitted by Joseph Jay Simons to the U.S. Senate Committee on Commerce, Science and Transportation (Oct. 19, 2017), <https://www.commerce.senate.gov/public/index.cfm/nominations>

¹¹¹ Press Release, Sen. Maggie Hassan (D., N.H.) "National Coverage of Senator Hassan Securing Guarantee from FTC Chairman to Investigate Loot Boxes in Video Games," (Nov. 29, 2018) <http://bit.ly/2BjgtZO>

to implement key provisions of the order allowed scammers to continue to use its money transfer system to rip off consumers”¹¹²

However, the FTC has also been under fire for being slow to sanction Facebook over potential violations of a 2011 consent decree with the agency over privacy issues. Revelations that Facebook shared information personal information about 87 million users with political consultancy Cambridge Analytica spurred numerous Facebook critics and former FTC officials to call for further punishment. In a letter to the FTC, Sen. Edward Markey (D., Mass.) wrote that there is “compelling evidence that Facebook violated the 2011 settlement with the FTC” and urged a new set of privacy safeguards.¹¹³ The *Washington Post* reported in January 2019 that FTC officials have discussed “a record-setting fine” against Facebook for violating the previous privacy agreement.¹¹⁴

¹¹² Press Release, “MoneyGram Agrees to Pay \$125 Million to Settle Allegations that the Company Violated the FTC’s 2009 Order and Breached a 2012 DOJ Deferred Prosecution Agreement” Federal Trade Commission (Nov. 8, 2018) <http://bit.ly/2BvX343>

¹¹³ Press Release, “Senator Markey Urges FTC to Require Additional Privacy Safeguards at Facebook” Sen. Edward Markey (D.-Mass) (May 4, 2018) <http://bit.ly/2Tj19Dr>

¹¹⁴ Tony Romm and Elizabeth Dwoskin, “U.S. regulators have met to discuss imposing a record-setting fine against Facebook for privacy violations,” *Washington Post* (January 18, 2019) <https://wapo.st/2GaceDF>

Conclusion

Donald Trump won the presidency by claiming he would govern for the benefit of the middle class. He asserted that under his administration “the forgotten men and women of our country will be forgotten no longer.”¹¹⁵ But after two years of Trump’s administration, the plain reality is that decision after Trump administration decision has benefited ultra-rich elites at the expense of everyday American families. While Trump claims to be tough on crime, his administration has gone soft on the enforcement of laws against corporations that abuse consumers. Under Trump, federal agencies have slashed fines, declined to bring cases against corporate wrongdoers and gutted enforcement programs. The result is a government that is eager to throw consumers under the bus, and a stark betrayal of the populism Trump promised as a candidate.

¹¹⁵ Whitehouse.gov, “Remarks of President Donald J. Trump The Innagural Address” (January 20, 2017) <https://www.whitehouse.gov/briefings-statements/the-inaugural-address/>

Appendix A: CFPB Corporate Enforcement Cases With Penalties Over \$5,000, 2015-2018

Company	Penalty Amount	Penalty Date
Village Capital & Investment	\$530,000	12/6/18
Santander Consumer USA	\$11,790,000	11/20/18
Cash Express, LLC	\$232,000	10/24/18
Bluestem Brands, Inc.	\$200,000	10/4/18
Hydra Group	\$14,000,000	8/10/18
TCF National Bank	\$28,000,000	7/20/18
Triton Management Group, Inc.	\$500,000	7/19/18
National Credit Adjusters, LLC	\$500,000	7/13/18
Citibank, N.A.	\$335,000,000	6/29/18
Security Group Inc.	\$5,000,000	6/13/18
Wells Fargo Bank N.A.	\$500,000,000	4/20/18
Citibank N.A.	\$6,000,000	11/21/17
Conduent Business Services	\$1,100,000	11/20/17
Meridian Title Corporation	\$1,250,000	9/27/17
Top Notch Funding	\$70,000	9/19/17
National Collegiate Student Loan Trusts	\$19,100,000	9/18/17
Transworld Systems, Inc.	\$2,500,000	9/18/17
Zero Parallel, LLC	\$350,000	9/6/17
Prime Marketing Holdings, LLC	\$150,000	8/30/17
American Express	\$96,000,000	8/23/17
JPMorgan Chase Bank, N.A.	\$4,600,000	8/2/17
Park View Law	\$500,000	6/27/17
Prime Credit, LLC, IMC Capital LLC and Commercial Credit Consultants	\$1,500,000	6/27/17
Fay Servicing	\$1,150,000	6/7/17
Security National Automotive Acceptance Company	\$1,250,000	4/26/17
Experian	\$3,000,000	3/23/17
Nationstar Mortgage LLC	\$1,750,000	3/15/17
Woodbridge Coins and Jewelry Exchange, Inc.	\$79,000	2/2/17
Mastercard International Inc.	\$13,000,000	2/1/17
UniRush LLC	\$13,000,000	2/1/17
Prospect Mortgage, LLC	\$3,500,000	1/31/17
CitiFinancial Servicing and CitiMortgage, Inc.	\$28,800,000	1/23/17
Works and Lentz, Inc.	\$655,935	1/9/17
Equifax	\$6,300,000	1/3/17
TransUnion	\$16,900,000	1/3/17

Company	Penalty Amount	Penalty Date
Military Credit Services, LLC	\$200,000	12/20/16
Aegean Financial	\$65,000	12/7/16
American Advisors Group	\$400,000	12/7/16
Reverse Mortgage Solutions	\$325,000	12/7/16
Navy Federal Credit Union	\$28,500,000	10/11/16
TMX Finance LLC	\$9,000,000	9/27/16
Flurish, Inc. dba LendUp	\$3,630,000	9/20/16
Bridgepoint Education, Inc.	\$31,500,000	9/12/16
Wells Fargo Bank	\$100,000,000	9/8/16
First National Bank of Omaha	\$32,250,000	8/25/16
Wells Fargo Bank	\$4,010,000	8/22/16
Santander Bank, N.A.	\$10,000,000	7/14/16
BancorpSouth Bank	\$10,600,000	6/29/16
Pressler & Pressler, LLP and New Century Financial Services, Inc.	\$2,500,000	4/25/16
Student Aid Institute, Inc.	\$50,000	3/30/16
Morgan Drexen, Inc.	\$172,882,488	3/18/16
Dwolla, Inc.	\$100,000	3/2/16
Citibank	\$45,000,000	2/23/16
Citibank	\$7,890,000	2/23/16
Faloni & Associates LLC	\$15,000	2/23/16
Solomon & Solomon P.C.	\$65,000	2/23/16
Toyota Motor Credit Corp.	\$21,900,000	2/2/16
Y King S Corp. dba Herbies Auto Sales	\$700,000	1/21/16
CarHop aka Interstate Auto Group	\$6,465,000	12/17/15
EZCORP Inc.	\$10,500,000	12/16/15
EOS CCA	\$2,593,000	12/7/15
Clarity Services, Inc.	\$8,000,000	12/3/15
General Information Services and its affiliate, e-Background-checks.com, Inc.	\$13,000,000	10/29/15
Corinthian Colleges, Inc.	\$531,224,267	10/28/15
Security National Automotive Acceptance Company	\$3,280,000	10/28/15
Westlake Services, LLC and Wilshire Consumer Credit, LLC	\$48,350,000	10/1/15
Fifth Third Bank	\$21,500,000	9/28/15
Hudson City Savings Bank	\$32,750,000	9/24/15
Encore Capital Group	\$52,000,000	9/9/15
Portfolio Recovery Associates	\$27,000,000	9/9/15
Springstone Financial, LLC	\$700,000	8/19/15
Citizens Bank, N.A.	\$18,500,000	8/12/15
Residential Credit Solutions, Inc.	\$1,600,000	7/30/15
LoanCare, LLC	\$100,000	7/28/15

Company	Penalty Amount	Penalty Date
Paymap Inc.	\$38,400,000	7/28/15
Discover Bank	\$18,500,000	7/22/15
Citibank N.A.	\$733,800,000	7/21/15
American Honda Finance Corporation	\$24,000,000	7/14/15
JPMorgan Chase	\$186,000,000	7/8/15
Affinion Group Holdings, Inc.	\$8,700,000	7/1/15
Intersections Inc.	\$1,255,000	7/1/15
Guarantee Mortgage Corporation	\$228,000	6/5/15
RPM Mortgage, Inc.	\$19,000,000	6/4/15
Hoffman Law Group	\$27,730,579	5/29/15
Provident Funding Associates	\$9,000,000	5/28/15
PayPal Inc.	\$25,000,000	5/19/15
Sprint	\$50,000,000	5/12/15
Verizon	\$70,000,000	5/12/15
Regions Bank	\$7,500,000	4/28/15
Fort Knox National Company and Military Assistance Company	\$3,100,000	4/20/15
RMK Financial Corporation	\$250,000	4/9/15
National Corrective Group	\$50,000	3/30/15
American Preferred Lending	\$85,000	2/12/15
Flagship Financial Group	\$225,000	2/12/15
NewDay Financial LLC	\$2,000,000	2/10/15
Continental Finance Company LLC	\$2,950,000	2/4/15
Union Workers Credit Services	\$70,000	2/3/15
JPMorgan Chase	\$900,000	1/22/15
Wells Fargo	\$34,800,000	1/22/15

Appendix B: CPSC Corporate Enforcement Cases With Penalties Over \$5,000, 2015-2018

Company	Penalty Amount	Penalty Date
EKO	\$1,000,000	11/26/2018
Costco	\$3,850,000	10/5/2018
Polaris Industries Inc.	\$27,250,000	4/2/2018
Home Depot	\$5,700,000	8/30/2017
Kawasaki	\$5,200,000	6/2/2017
Viking Range, LLC and Middleby Corporation	\$4,650,000	4/13/2017
Keurig Green Mountain, Inc.	\$5,800,000	2/21/2017
PetSmart Inc.	\$4,250,000	11/14/2016
Best Buy Co., Inc.,	\$3,800,000	10/3/2016
Goodman Company, L.P.	\$5,550,000	9/8/2016
Sunbeam Products, Inc. d/b/a Jarden Consumer Solutions	\$4,500,000	6/7/2016
Teavana	\$3,750,000	6/1/2016
Gree Electric Appliances Inc.	\$15,450,000	3/25/2016
Philips Lighting North America Corp.	\$2,000,000	11/24/2015
phil&teds USA	\$3,500,000	9/10/2015
Johnson Health Tech Co. Ltd	\$3,000,000	8/8/2015
LG Electronics Tianjin Appliance Co., Ltd., and LG Electronics USA Inc.	\$1,825,000	7/7/2015
Office Depot Inc.	\$3,400,000	5/27/2015
Black & Decker (U.S.) Inc.	\$1,575,000	4/29/2015
General Electric Co.	\$3,500,000	2/19/2015

Appendix C: FTC Corporate Enforcement Cases With Penalties Over \$5,000, 2015-2018

Company	Penalty Amount	Penalty Date
American Student Loan Consolidators	\$1,300,000	12/7/2018
Student Debt Doctor	\$2,200,000	12/7/2018
Nobetes Corp.	\$182,000	12/4/2018
A1 DocPrep Inc., Steamlined Marketing	\$305,000	11/20/2018
MoneyGram International Inc.	\$125,000,000	11/8/2018
Regenerative Medical Group Inc. and Telehealth Medical Group	\$525,000	10/18/2018
RealPage Inc.	\$3,000,000	10/16/2018
Forms Direct, Inc.	\$2,200,000	10/16/2018
SBB Holdings, LLC	\$158,790	9/28/2018
The Upside LLC	\$140,983	7/9/2018
Credit Bureau Center, LLC	\$5,200,000	7/5/2018
AWS LLC et al.	\$10,800,000	6/18/2018
Student Debt Relief Group et al.	\$2,300,000	6/11/2018
Lombardo, Daniels & Moss	\$2,722,452	6/4/2018
Strategic Student Solutions LLC et al.	\$4,000,000	5/31/2018
Bloom Law Group	\$54,000	5/31/2018
World Patent Marketing Inc. and Desa Industries Inc.	\$78,670	5/10/2018
Global Concepts Limited Inc.	\$500,000	5/2/2018
Defend America, LLC	\$2,296,500	3/23/2018
Power Marketing Promotions, LLC	\$300,000	3/23/2018
DOTAuthority.com Inc. et al.	\$900,000	3/19/2018
Feature Films for Families, Inc.; Corporations for Character, L.C.; and Family Films of Utah	\$487,735	3/16/2018
Marketing Architects, Inc.	\$2,000,000	2/6/2018
Prime Sites, Inc.	\$235,000	2/5/2018
Repair All PC LLC et al.	\$149,376	1/29/2018
Chemical Free Solutions LLC	\$224,356	1/25/2018
InfoCision, Inc	\$250,000	1/10/2018
Norm Reeves Inc. et al.	\$1,400,000	11/6/2017
Telestar Consulting Inc.	\$7,000,000	9/25/2017
Global Access Technical Support, LLC et al.	\$1,000,000	6/7/2017
Dish Network	\$280,000,000	6/6/2017

NutriMost, LLC and NutriMost Doctors, LLC	\$2,000,000	4/21/2017
Liberty Supply Co., Nor-Jay Enterprises Inc. and Texas 110 Inc.	\$500,000	3/27/2017
American Municipal Services Corporation	\$350,000	3/24/2017
Tachht, Inc. and Teqqi, LLC	\$500,000	3/17/2017
Sage Automotive Group	\$3,600,000	3/14/2017
GC Services	\$700,000	2/14/2017
VIZIO, Inc.	\$2,200,000	2/6/2017
Stratford Career Institute	\$250,000	2/3/2017
Volkswagen Group of America	\$4,000,000,000	2/1/2017
Uber Technologies	\$20,000,000	1/19/2017
Mallinckrodt ARD Inc	\$100,000,000	1/18/2017
Inbound Call Experts	\$10,000,000	12/22/2016
DeVry University	\$100,000,000	12/15/2016
AshleyMadison.com	\$1,657,000	12/14/2016
Chemence, Inc	\$220,000	10/19/2016
New World Auto Imports Inc., New World Auto Imports of Rockwall Inc. and Hampton Two Auto Corporation	\$85,000	8/18/2016
Caledonia Investments plc	\$480,000	8/10/2016
Partners in Health Care Association Inc.	\$8,746,094	7/21/2016
Herbalife	\$200,000,000	7/15/2016
InMobi	\$950,000	6/22/2016
SmartClick Media LLC	\$35,000	6/21/2016
Viatek Consumer Products Group, Inc.	\$300,000	5/24/2016
Lunada Biomedical, Inc.	\$250,000	5/20/2016
LearningRx	\$200,000	5/18/2016
Credit Protection Association	\$72,000	5/9/2016
Billing Services Group	\$5,200,000	5/4/2016
Health Formulas LLC	\$9,200,000	5/3/2016
Star Pipe Products, Ltd.	\$120,000	4/25/2016
Carrot Neurotechnology, Inc.	\$150,000	2/23/2016
Butterfly Labs	\$15,000	2/18/2016
Boost Software Inc., Success Capital LLC and Jon Paul Holdings LLC	\$236,000	2/12/2016
Capital Payments LLC	\$750,000	2/11/2016
Sale Slash	\$10,000,000	2/8/2016
Henry Schein Practice Solutions, Inc.	\$250,000	1/5/2016
Lumos Labs	\$2,000,000	1/5/2016
Red Cedar Services Inc.	\$2,200,000	1/5/2016
SFS Inc.	\$2,200,000	1/5/2016
LAI Systems	\$60,000	12/17/2015

LifeLock	\$100,000,000	12/17/2015
Retro Dreamer	\$300,000	12/17/2015
Sitesearch Corporation, dba LeapLab	\$4,124,710	12/11/2015
Backcountry.com LLC	\$150,000	12/9/2015
Bed Bath & Beyond	\$500,000	12/9/2015
J.C. Penney Company Inc.	\$290,000	12/9/2015
Nordstrom Inc.	\$360,000	12/9/2015
Tommie Copper, Inc.	\$1,350,000	12/1/2015
Sprint	\$2,950,000	10/21/2015
DebtPro 123 LLC	\$7,900,000	10/5/2015
Ramey Motors Inc.	\$80,000	9/18/2015
Tricolor Auto Group	\$82,777	9/16/2015
KeyView Labs, Inc. and Brain Research Labs, LLC	\$1,400,000	7/8/2015
Abernathy Motor Company	\$90,000	6/10/2015
Cephalon, Inc.	\$1,200,000,000	5/28/2015
Universal Processing Services	\$1,734,972	5/20/2015
National Payment Network	\$2,449,000	5/15/2015
Green Tree Servicing LLC	\$63,000,000	4/21/2015
Cardinal Health Inc.	\$26,800,000	4/20/2015
CoreLogic, Inc.	\$11,900,000	4/6/2015
TRUSTe	\$200,000	3/18/2015
Allstar Marketing Group LLC	\$7,500,000	3/5/2015
Caribbean Cruise Line, Inc.	\$500,000	3/4/2015
Linked Service Solutions LLC	\$25,000	3/4/2015
Danielson Law Group	\$28,600,000	2/5/2015
TracFone	\$40,000,000	1/28/2015
Pure Health LLC and Genesis Today Inc.	\$9,000,000	1/26/2015
AMG Services Inc. and MNE Services Inc.	\$21,000,000	1/16/2015
NourishLife, LLC	\$200,000	1/9/2015