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# **Mayor Bloomberg And Consumer Financial Protection Bureau (cfpb) Director Cordray Announce Partnership To Replicate Local Consumer Protection And Financial Empowerment Models Based On New York City's Department Of Consumer Affairs**

***Cities for Financial Empowerment Fund to Work with CFPB to Engage with City Governments Nationwide to Build Local Capacity to Protect and Empower Consumers***

Mayor Michael R. Bloomberg and Consumer Financial Protection Bureau (CFPB) Director Richard Cordray today announced a partnership between New York City, the CFPB, and the Mayor's Cities for Financial Empowerment (CFE) partners to help cities around the country enhance their local consumer protection and financial empowerment abilities. Building on its experience in nationally replicating the City's Financial Empowerment Centers, the Cities for Financial Empowerment Fund will work with the CFPB to help other cities leverage their enforcement and public awareness abilities to protect and empower consumers in the financial services marketplace, as well as to serve as key partners to inform and enhance the work of the CFPB on the federal level. The Cities for Financial Empowerment Fund is the technical assistance and funding arm of the Cities for Financial Empowerment Coalition, which was co-founded by Mayor Bloomberg, a group of municipal governments dedicated to using municipal powers and opportunities to help their residents with low incomes achieve financial stability. The partnership will leverage the City's Department of Consumer Affairs, which enforces local consumer protection laws through licensing and other regulatory powers, and empowers consumers with low incomes through professional financial counseling, safe banking, and asset building programming. The Mayor and Director Cordray were joined at the announcement by New York City's Department of Consumer Affairs Commissioner Jonathan Mintz.

"Through its network of Financial Empowerment Centers, our Department of Consumer Affairs has given tens of thousands of low-income New Yorkers professional, free, and confidential

advice about managing their financial lives and helped protect consumers from those who try to take advantage of them when their financial lives are in crisis," said Mayor Bloomberg. "This combination of financial counseling, education, and fair enforcement is more important now than ever, in New York and across the nation. We look forward to working with Director Cordray and the new bureau he leads in expanding this model of consumer action and protection to more cities throughout the country."

"We need all hands on deck to protect consumers in the financial marketplace. Cities have a special role to play, and New York City has embraced that responsibility," said CFPB Director Richard Cordray. "Today's announcement will build on the work of both the CFPB and New York City in order to better protect consumers throughout the country."

"New York City and its impressive Cities for Financial Empowerment partners have made exciting strides using uniquely municipal powers and opportunities to both protect vulnerable consumers and to advance their short and long-term financial stability, and we are proud to partner with the Consumer Financial Protection Bureau to help other cities recognize these same opportunities," said DCA Commissioner Jonathan Mintz. "Local capacity for strong consumer protection and financial empowerment also provides a dynamic model for assisting partners like the CFPB in their efforts at the federal level."

In 2006, DCA's Office of Financial Empowerment (OFE) was launched by Mayor Bloomberg as the first local government initiative in the country with the specific mission to educate, empower, and protect individuals and families with low incomes. It creates innovative programs, products, and services for New Yorkers so they can build assets and make the most of their financial resources. Its goal is to increase access to high-quality, low-cost financial education and counseling; connect individuals to safe and affordable mainstream banking and products and services; improve access to income-boosting tax credits, savings, and other asset building opportunities; and enforce and improve consumer financial protections to safeguard financial stability. A hallmark program of OFE is the City's Financial Empowerment Centers, which offer free, one-on-one professional financial counseling. Since the pilot, supported by private donations made to the Mayor's Fund to Advance New York City, began in 2008, the program has grown to nearly 30 Centers and the financial counselors have helped more than 20,000 New Yorkers reduce their debt by almost \$10 million. Financial counselors help New Yorkers deal with debt collectors, understand their credit reports, create budgets, improve their credit scores, open bank accounts, and start saving for emergencies and for the future. The Financial Empowerment Center initiative is also being replicated in five cities across the nation (Denver, CO; Lansing, MI; Nashville, TN; Philadelphia, PA; and San Antonio, TX) through a \$16.2 million, three-year pilot funded by Bloomberg Philanthropies through the CFE Fund.

The Cities for Financial Empowerment Fund, the technical assistance and funding partner of the Cities for Financial Empowerment Coalition, supports municipal efforts to improve the financial stability of households by leveraging opportunities unique to local government. By translating cutting edge experience with large scale programs, research, and policy in cities of all sizes, the Cities for Financial Empowerment Fund assists mayors and other local leaders to identify, develop, fund, implement, and research pilots and programs that help families build assets and make the most of their financial resources. The Cities for Financial Empowerment Coalition was launched in 2008 by New York City's Mayor Michael R. Bloomberg and San Francisco's then-Mayor Gavin Newsom to bring together local governments interested in advancing programs that increase financial security for struggling households, such as affordable and accessible financial products and services, financial education and counseling, and asset protection. In addition to New York City, the Coalition includes co-chair San Francisco, Chicago, Hawai'i County, Los Angeles, Louisville, Miami, Newark, Providence, San Antonio, Savannah and Seattle.

The **Consumer Financial Protection Bureau** is the nation's first federal agency focused solely on consumer financial protection. Congress created the CFPB as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, to protect consumers of financial products and services and to encourage the fair, transparent and competitive operation of consumer financial markets. Its mission is to make consumer financial markets work for American consumers, honest businesses, and the economy as a whole. For more information, please visit [www.consumerfinance.gov](http://www.consumerfinance.gov).

The **Department of Consumer Affairs** (DCA) enforces the Consumer Protection Law and other related business laws throughout New York City. Empowering consumers and businesses to ensure a fair and vibrant marketplace, DCA licenses more than 78,000 businesses in 55 different industries. Through targeted outreach, partnerships with community and trade organizations, and informational materials, DCA educates consumers and businesses alike about their rights and responsibilities. The DCA Office of Financial Empowerment (OFE) was launched by Mayor Michael R. Bloomberg at the end of 2006 as the first local government initiative in the country with the specific mission to educate, empower, and protect individuals and families with low incomes. OFE creates innovative programs, products, and services for New Yorkers so they can build assets and make the most of their financial resources. Our goal is to increase access to high-quality, low-cost financial education and counseling; connect individuals to safe and affordable mainstream banking and products and services; improve access to income-boosting tax credits, savings, and other asset building opportunities; and enforce and improve consumer financial protections to safeguard financial stability. For more information, call 311 or visit DCA online at [nyc.gov/consumers](http://nyc.gov/consumers).