

Rohit Chopra Confirmed as New CFPB Director

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On September 30, the Senate confirmed Rohit Chopra as the new director of the Consumer Financial Protection Bureau (CFPB). Chopra's confirmation marks the beginning of his second stint with the CFPB — Chopra served as the CFPB assistant director between 2010 and June 2015, and had overlapping duties as the student loan ombudsman between October 2011 and June 2015. While serving as the student loan ombudsman, the CFPB sued for-profit colleges [Corinthian Colleges, Inc.](#) and [ITT Educational Services, Inc.](#) for alleged violations of the Consumer Financial Protection Act and Fair Debt Collections Practices Act based on their respective student lending practices. These lawsuits led both colleges to file for bankruptcy and liquidate. Also while acting as the student loan ombudsman, the CFPB initiated [enforcement actions](#) against [debt relief servicers](#) and their [payment processors](#) for alleged violations of Telemarketing Sales Rule that prohibit charging advanced fees. Some of these enforcement actions focused on debt relief in the student lending industry.

During the past nine months, the Federal Trade Commission (FTC) has commenced lawsuits and administrative actions substantially similar to CFPB enforcement actions initiated while Chopra acted as CFPB assistant director. For example, the FTC has initiated lawsuits and administrative actions in the lending ([auto lending](#), [student lending](#), [merchant cash advance](#), and [payday](#)), [student debt relief](#) (and [processing](#)), [gift card](#), [mobile banking/fintech](#), and [debt collection](#) industries. Given the FTC enforcement actions brought just this year, we expect an active CFPB reminiscent of the investigations and enforcement actions that the agency initiated while Richard Cordray served as director and Chopra as the assistant director. As such, we have no doubt that Chopra will enjoy his upcoming second stint at the CFPB, as the limitations set forth in the Supreme Court's ruling against the FTC in [AMG Capital Management, LLC v. Federal Trade Commission](#) do not apply to the CFPB; he has the support of a Democratic president who shares his views about consumer protection; and he will not need to reach a consensus with commissioners on initiating investigations and enforcement actions given that he is the sole director.

Troutman Pepper has a robust CFPB practice. For additional insights in what to expect from the CFPB under Director Chopra, please see our most recent CFPB related client alerts and comments:

- [Game On! Biden Nominates Chopra to Lead the CFPB](#)
- [CFPB Rescinds Trump-Era Guidance Regarding "Abusive Acts and Practices" Standard](#)
- [What Banking and the Financial Services Industry Can Expect from the Biden Administration](#)
- [CFPB Issues Long-Awaited Notice of Proposed Rulemaking on Small Business Lending Data Collection](#)
- [CFPB Sets June 2022 Compliance Data for Payday Rule](#)

- [Consumer Bureau Chief Confirmed in Close Senate Vote](#)