



April 14, 2020

The Honorable Kathy Kraninger, Director
Consumer Financial Protection Bureau
1700 G Street NW Washington, DC 20552

RE: Proposed use of **Civil Penalty Funds** to support financial counseling, coaching, and education.

Director Kraninger:

The St Louis Federal Reserve estimates 47 million jobs will be lost due to the COVID19 pandemic. Families have been thrust into financial chaos through loss of employment and future economic uncertainty. Access to financial counseling and coaching is needed now more than ever. From the development of a budget to understanding the emergency resources newly available to them, the availability of an impartial advocate to help them navigate this difficult time is crucial.

Community-based, not-for-profit financial counseling centers, such as Consumer Credit Counseling Services, housing counseling agencies, non-profit small dollar lenders (i.e. CDFIs), and others have a history of providing financial education and one-on-one counseling to families in financial crisis. They have taught countless classes and worked one-on-one with millions of consumers to help them understand budgeting, use of credit, banking, insurance, and much more. These organizations have helped millions of families become financially ready for homeownership as well as fought to keep them in their homes when faced with foreclosure. Dedicated counselors and educators have worked to help people avoid bankruptcy, getting them on track, and building savings and a positive credit history.

During this time of crisis, Credit Builders Alliance (CBA) is receiving disturbing reports from many of our 560 non-profit members that the coronavirus epidemic is having a devastating impact on low-to-moderate income (LMI) communities throughout the United States. Stay at home orders and school closures – undertaken for understandable public health reasons – are shutting down businesses which employ millions of LMI individuals. In turn, these Americans are facing an immediate economic crisis and experiencing extraordinary difficulty in meeting basic financial obligations: utility charges, rent payments and monthly credit card bills.



CBA's non-profit members stand ready today to meet the needs of their communities by providing their financial counseling expertise to families impacted financially by the COVID19 virus. The CFPB has done well to develop financial education and coaching tools such as *Your Money Your Goals*, but without supporting the infrastructure that interacts with consumers on a daily basis, materials alone will not solve the problem.

As of September 30th, 2019, the CFPB's **Civil Penalty Fund** held a balance of **\$1,220,702,694**. There are only two purposes for this fund, to compensate victims of financial fraud and for financial education. We request the CFPB release a portion of these funds for non-profit financial counseling organizations to continue to provide the appropriate services to those in dire need.

To reiterate, the service delivery mechanism is at your fingertips - through local community-based financial counseling organizations. We encourage you to utilize funds available through the **Civil Penalty Fund** to contract with these local agencies to enable them to deliver outstanding financial counseling and education to individuals and families suffering through this crisis. By investing in local service providers to deliver the financial counseling and education directly to those in need, the CFPB can positively impact millions of consumers, improve the service delivery methods, and collect data vital to improving the personal financial health of the nation.

Director Kraninger, we urge you to work with leaders in the financial and housing counseling field to develop a strategy to make a significant investment from the **Civil Penalty Fund** to local community-based organizations that can keep consumers out of bankruptcy and on a path to financial security. According to the **Civil Penalty Fund** rule, if victims cannot be located or it is otherwise not practicable to pay victims, the Bureau may keep the money in the Fund for victims in future cases, or the Bureau may use money in the Fund for consumer education and financial literacy programs. The time to put this excess money to use is now.

We encourage you to use these funds, after the required length of time to attempt to return the monies to the victims, to sustain and stabilize the financial security of millions of Americans caught in this crisis. These financial capability organizations are in support of this request:



AAA Fair Credit Foundation	Salt Lake City	UT
Accion East	New York	NY
Alternatives Federal Credit Union	Ithaca	NY
Ariva, Inc	Bronx	NY
BCL of Texas	Dallas	TX
Boston Builds Credit	Boston	MA
Brazos Valley Affordable Housing Corp.	Bryan	TX
Brazos Valley Financial Fitness Center	Bryan	TX
Brighton Center	Newport	KY
Britepaths, Inc./Financial Empowerment Center	Fairfax	VA
BronxWorks	Bronx	NY
BVCDC	Bryan	TX
CA\$H Maine	Farmington	ME
Cabrini Green Legal Aid	Chicago	IL
CAFE Montgomery MD	Germantown	MD
CAMEO-California Association for Micro Enterprise Opportunity	San Francisco	CA
CAP Services Inc	Stevens Point	WI
Capital Area Asset Builders (CAAB)	Washington	DC
Capital Good Fund	Providence	RI
CASA of Oregon	Sherwood	OR
CASH Campaign of Maryland	Baltimore	MD
Catholic Charities Dallas	Dallas	TX
Catholic Charities Fort Worth	Fort Worth	TX
Catholic Charities NE KS	Leavenworth	KS
CBA Fund	Washington	DC
CCCCS of NE WI	Menasha	WI
Center for Rural Affairs	Lyons	NE
Chicago Legal Clinic, Inc.	Chicago	IL
Chicanos Por La Causa	Phoenix	AZ
Citizen Potawatomi Community Development Corporation	Shawnee	OK
CityLink Center	Cincinnati	OH
Common Wealth Charlotte	Charlotte	NC
Community Capital New York	Elmsford	NY
Community Development Network of MD	Baltimore	MD
Community Financial Resources	Oakland	CA
Community Fund of North Miami-Dade	Opa-Locka	FL
Community Investment Collaborative	Charlottesville	VA
Community Partnership of Southeast Missouri	Cape Girardeau	MO



Community Ventures Corporation	Lexington	KY
CommunityWorks	Greenville	SC
Compass Working Capital	Boston	MA
Consumer Action	San Francisco	CA
Consumer Credit Counseling Service of Buffalo, Inc.	West Seneca	NY
Credit Builders Alliance	Washington	DC
Dragonfly Financial Solutions LLC	Boston	MA
DreamSpring	Albuquerque	NM
East Bay Asian Local Development Corporation	Oakland	CA
Economic Empowerment Center	Omaha	NE
eHome America	Lexington	KY
Enterprising Latinas, Inc.	Wimauma	FL
Exodus Lending	St Paul	MN
Fifth Avenue Committee	Brooklyn	NY
Financial Pathways of the Piedmont	Winston-Salem	NC
Financial Services Innovation Coalition	Washington	DC
FINANTA	Philadelphia	PA
Four Bands Community Fund	Eagle Butte	SD
Genesis Center	Providence	RI
Goodwill Industries of Central Michigan's Heartland, Inc.	Battle Creek	MI
Greater Atlanta Builds Credit	Atlanta	GA
Greater Jamaica Local Development Company, Inc.	Jamaica	NY
GreenPath, Inc.	Farmington Hills	MI
Habitat for Humanity - North Central GA	Roswell	GA
Habitat for Humanity of La Pine Sunriver	Sunriver	OR
Hale Mahaolu	Kahului	HI
Harlem Entrepreneurial Fund	New York	NY
Housing Authority of Clackamas County	Oregon City	OR
Housing Options & Planning Enterprises, Inc.	Oxon Hill	MD
Houston Area Urban League	Houston	TX
Houston Business Development, Inc	Houston	TX
Innovative Changes	Portland	OR
Jamaica Plain NDC (JPNDC)	Boston	MA
Jane Addams Resource Corporation	Chicago	IL
John Boner Neighborhood Centers	Indianapolis	IN
Jubilee Housing	Washington	DC
Justine PETERSEN	St. Louis	MO
Karuk Community Loan Fund	Yreka	CA



Kinecta FCU	Manhattan Beach	CA
La Casa de Esperanza	Waukesha	WI
Lafayette Neighborhood Housing Services, Inc. (HomesteadCS)	Lafayette	IN
Latino Economic Development Corp	Washington	DC
Leech Lake Financial Services	Cass Lake	MN
LG/MFS/Mercy Corp	Portland	OR
LifeWise STL	St Louis	MO
LISC Boston	Boston	MA
LISC Chicago	Chicago	IL
Little Dixie CAA	Hugo	OK
Love INC of Columbia	Columbia	MO
Lutheran Social Services of Northwestern Ohio	Toledo	OH
MaineStream Finance	Bangor	ME
Maryland Capital Enterprises	Salisbury	MD
Matrix Human Services	Detroit	MI
Mercy Corps NW	Portland	OR
Mercy Housing Lakefront	Chicago	IL
Metro Community Development	Flint	MI
Miami Bayside Foundation, A Florida Corp.	Miami	FL
Mission Asset Fund	San Francisco	CA
Mvskoke Loan Fund- CDFI	Okmulgee	OK
MyPath	San Francisco	CA
National CAPACD	Washington	DC
National Disability Finance Coalition	Olympia	WA
National Disability Institute	Washington	DC
NEDA	St Paul	MN
Neighborhood Allies	Pittsburgh	PA
Neighborhood Development Alliance	St. Paul	MN
Neighborhood Trust Financial Partners	New York	NY
New Economics for Women	Los Angeles	CA
New Hampshire Coalition Against Domestic and Sexual Violence	Concord	NH
New Ventures Maine	Augusta	ME
New York State Coalition Against Domestic Violence	Albany	NY
NiiJii Capital Partners, Inc.	Keshena	WI
Nimiipuu Community Development Fund	Lapwai	ID
North Lawndale Employment Network	Chicago	IL
North Seattle Community College Foundation (dba American Financial Solutions)	Seattle	WA



Northwest Access Fund	Seattle	WA
Oklahoma Assistive Technology Foundation	Stillwater	OK
One Treasure Island	San Francisco	CA
OppFund	Lansing	MI
Opportunity Fund	San Jose	CA
Partners In Community Building, Inc	Chicago	IL
Pathfinders	Fort Worth	TX
Peninsula Family Service	San Mateo	CA
Pennsylvania Coalition Against Domestic Violence	Harrisburg	PA
Penquis	Bangor	ME
PERC	Durham	NC
Pikes Peak Habitat for Humanity	Colorado Springs	CO
Prestamos CDFI	Phoenix	AZ
Prosperity Connection	St. Louis	MO
RAISE Texas	Austin	TX
Renaissance Community Loan Fund	Gulfport	MS
Rocky Mountain MicroFinance Institute	Denver	CO
Rural Dynamics, Inc	Great Falls	MT
Safe Nest: Temporary Assistance for Domestic Crisis	Las Vegas	NV
Safe Space, Inc	Louisburg	NC
SC Association for Community Economic Development	Charleston	SC
Sequoyah Fund	Cherokee	NC
Servicesource. de	New Castle	DE
Solita's House Inc.	Tampa	FL
Southeastern Utah Association of Local Governments	Price	UT
Southern Bancorp Community Partners	Helena	AR
Spruce Root, Inc.	Juneau	AK
The Alliance	Houston	TX
The Cares Project, Inc.	Winston-Salem	NC
The Collaborative of NC	Raleigh	NC
The Eckblad Group	Milwaukee	WI
The Financial Clinic	NYC	NY
The Pride Through Empowerment Foundation, Inc	Akron	OH
The Sequoyah Fund, Inc.	Cherokee	NC
Trellis	Phoenix	AZ
United Way of Massachusetts Bay and Merrimack Valley	Boston	MA
University Neighborhood Housing Program (UNHP)	Bronx	NY
Westside Housing Organization	Kansas City	MO



WiNGS
Wisconsin Native Loan Fund
Woodstock Institute
WORC
Working Credit
Wyoming Coalition Against Domestic Violence and Sexual Assault
(WCADVSA)
Wyoming Women's Business Center
YWCA of Seattle | King | Snohomish County

Dallas TX
Lac du Flambeau WI
Chicago IL
Philadelphia PA
St Louis MO

Laramie WY
Laramie WY
Seattle WA

