



Federal Trade Commission

Protecting America's Consumers

For Release: 01/23/2012

Federal Trade Commission, Consumer Financial Protection Bureau Pledge to Work Together to Protect Consumers

Memorandum of Understanding Creates Framework for Strong Coordination and Cooperation

The Federal Trade Commission (FTC) and the Consumer Financial Protection Bureau (CFPB) have signed an agreement to coordinate efforts to protect consumers and avoid duplication of federal law enforcement and regulatory efforts.

"The FTC has always been committed to protecting consumers and legitimate companies from bad actors in the financial marketplace," said FTC Chairman Jon Leibowitz. "Now we have another cop on the beat, and this agreement ensures that businesses will not be double-teamed by the two agencies."

"Entering this agreement with the FTC is important to making sure markets for consumer financial products are getting efficient and effective federal government oversight," said Richard Cordray, Director of the CFPB. "We are both motivated by the same thing: To do right by consumers. We look forward to this partnership."

The two agencies signed a memorandum of understanding. It is available [here](#).

The Dodd-Frank Wall Street Reform and Consumer Protection Act, which created the CFPB, requires the CFPB and the FTC to work together to coordinate their enforcement activities and promote consistent regulatory treatment of consumer financial products and services.

In the MOU, the agencies have supplemented the requirements of the Dodd-Frank Act to create a strong and comprehensive framework for coordination and cooperation. Among the points the two agencies have agreed to:

- meet regularly to coordinate upcoming law enforcement, rulemaking, and other activities;
- inform the other agency, absent exigent circumstances, prior to initiating an investigation or bringing an enforcement action. This notice will prevent duplicative or conflicting enforcement efforts and undue burdens on industry;
- consult on rulemaking and guidance initiatives to promote consistency and reflect the experience and expertise of both agencies;
- cooperate on consumer education efforts to promote consistency of messages and maximum use of resources; and
- share consumer complaints.

The agencies look forward to receiving feedback on the agreement from consumers, industry, and other members of the public, and are committed to finding ways to further strengthen their coordination efforts.

The Federal Trade Commission vote approving the memorandum of understanding was 4-0.

The Federal Trade Commission works for consumers to prevent fraudulent, deceptive, and unfair business practices and to provide information to help spot, stop, and avoid them. To file a complaint in English or Spanish, visit the FTC's online [Complaint Assistant](#) or call 1-877-FTC-HELP (1-877-382-4357). The FTC enters complaints into Consumer Sentinel, a secure, online database available to more than 2,000 civil and criminal law enforcement agencies in the U.S. and abroad. The FTC's website provides free information on a variety of [consumer topics](#). Like the FTC on [Facebook](#) and follow us on [Twitter](#).

The Consumer Financial Protection Bureau is a 21st century agency that helps consumer finance markets work by making rules more effective, by consistently and fairly enforcing those rules, and by empowering consumers to take more control over their economic lives. For more information, visit www.ConsumerFinance.gov.

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Related Items:

[Memorandum of Understanding Between the Consumer Financial Protection Bureau and the Federal Trade Commission To](#)

Ensure Effective Cooperation To Protect Consumers, Prevent Duplication of Efforts, Provide Consistency, and Ensure A Vibrant Marketplace For Consumer Financial Products and Services (January 2012)

• Text of the Memorandum of Understanding

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