

Consumer Financial Protection Bureau Strategic Plan

FY 2022 - 2026 DRAFT



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Overview of the CFPB

The Bureau of Consumer Financial Protection (CFPB) was established on July 21, 2010 under Title X of the Dodd-Frank Wall Street Reform and Consumer Protection Act Public Law No. 111-203 (Dodd-Frank Act). The CFPB is an independent bureau within the Federal Reserve System, and an Executive agency as defined in Section 105 of Title 5, United States Code.

The Dodd-Frank Act authorizes the CFPB to exercise its authorities to ensure that, with respect to consumer financial products and services¹:

- Consumers are provided with timely and understandable information to make responsible decisions about financial transactions;
- Consumers are protected from unfair, deceptive, or abusive acts and practices and from discrimination;
- Outdated, unnecessary, or unduly burdensome regulations are regularly identified and addressed in order to reduce unwarranted regulatory burdens;
- Federal consumer financial law is enforced consistently in order to promote fair competition; and
- Markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.

The CFPB is headed by a sole Director, appointed by the President, by and with the advice and consent of the Senate, to a five-year term.

Funding required to support the CFPB's operations is obtained primarily through transfers from the combined earnings of the Federal Reserve System. Annual transfers to the CFPB may not exceed an amount equal to 12 percent of the Federal Reserve System's operating expenses, adjusted annually based on the percentage increase in the employment cost index by the Federal Government for total compensation for state and local government workers as specified in the Dodd-Frank Act. The transfer cap for fiscal year 2022 is \$734 million.

¹ As set forth in the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203 (2010), Section 1021(b).

Mission, Vision, and Values

Mission

To regulate the offering and provision of consumer financial products or services under the Federal consumer financial laws, to enforce Federal consumer financial law fairly and consistently, and to educate and empower consumers making financial decisions.

Vision

To ensure all households have access to markets for consumer financial products and services that are fair, transparent, and competitive. In a market that works, the prices, risks, and terms of the deal are clear upfront so that consumers can understand their options and comparison shop, and where companies all play by the same consumer protection rules and compete fairly on providing quality and service.

Values

To achieve this vision, the CFPB is guided by the following values:

- **Service.** We work for the American public, putting the most vulnerable and traditionally underserved people at the center of all that we do.
- **Dedication.** We are committed to the mission and to deploying the CFPB's tools and resources to address the needs of communities, providers, and the economy as a whole.
- **Diversity.** We strive to maintain a diverse workforce and an equitable and inclusive workplace for all employees.

Strategic Plan Overview

About the plan

The Strategic Plan for FY 2022-2026 has been drafted in accordance with the applicable requirements of the Government Performance and Results Act of 1993, as amended (GPRA), and the GPRA Modernization Act of 2010, and OMB Circular A-11.²

The most recent version of the CFPB's Annual Performance Plan and Report can be found on the agency's website, at www.consumerfinance.gov/about-us/budget-strategy/budget-and-performance.

The CFPB has several internal structures and processes to facilitate implementation and monitoring of the objectives outlined in the Strategic Plan. See the [Appendix](#) for a list of CFPB Strategy, Planning, and Prioritization documents.

External Consultation

In accordance with statute, the CFPB consults with Congress on its Strategic Plan during the drafting process. In addition, the CFPB posts a draft Strategic Plan on its website for 30 days to give the public the opportunity to provide comments.

Performance and Evidence-Building

To ensure the CFPB's programs and strategies are effectively achieving its goals, the CFPB uses a variety of processes and reports to periodically evaluate performance, adjust when necessary, and drive overall accountability. Biannually, the CFPB Director and senior leaders review progress toward achieving the goals and objectives in the CFPB's Strategic Plan. During this review process, course corrections are made as needed. At the end of each fiscal year, the CFPB provides a summary of accomplishments and results of the agency's performance metrics, as well as identifies the performance goals, measures, and targets for the coming year.

The CFPB also engages in evidence-building, both as a tool to develop policy and, in complement with performance measurement, to understand our effectiveness and impact. While the CFPB has a track record of conducting rigorous research to inform and assess our work, we plan to expand and align this work with our strategic goals in the next five years. Specifically, the CFPB plans to publish its Evidence-Building Agenda in the next year, laying out past and planned evidence-building activities that advance our strategic goals, per Federal

²Government Performance and Results Act, Pub.L. No. 103-62 (1993); and GPRA Modernization Act of 2010 Pub. L. No.111-352 (2011).

recommendations laid out in the [Foundations for Evidence-Based Policymaking Act](#) (Evidence Act) and supplementary Federal guidance.³

Diversity, Equity, Inclusion, and Accessibility

The CFPB is committed to incorporating diversity, equity, inclusion, and accessibility in the way we meet our mission. Racial and Economic Equity (REE) is embedded in the statutory mission of the CFPB, which includes protecting consumers from discrimination and ensuring that markets for consumer financial products and services operate transparently and efficiently to facilitate access.

The CFPB continues to foster an inclusive work environment by examining how we operate; eliminating systemic barriers to equal access of opportunities for CFPB employees; fostering an equitable and inclusive work environment; and expanding recruiting practices to increase workforce diversity; ensuring the diverse experiences and perspectives of CFPB employees are valued and respected; and implementing policies and programs that promote a model workplace that is free of discrimination, harassment, and retaliation.

Within this Strategy Plan, we include specific strategies listed under Goal 4. A more detailed description of this work can be found in the CFPB's Diversity, Equity, Inclusion and Accessibility (DEIA) Strategic Plan, which will soon be published on the [CFPB's Diversity & Inclusion Page](#) in accordance with relevant executive orders, laws, and guidance, and on the [CFPB's Racial Equity Page](#).⁴

³ Foundations for Evidence-Based Policymaking Act, Pub.L. No. 115-435 (2018); [OMB.M-21-27](#).

⁴ This includes: Dodd-Frank Act Sec. 342, Executive Orders 13583, 13950, 13985, 13988, and 14035, the government-wide D&I Plan guidance from the Office of Personnel Management, and existing regulations and guidance from the Equal Employment Opportunity Commission (EEOC).

Strategic Outlook

External Factors

Key external factors beyond the CFPB's control have the potential to affect the achievement of its strategic goals and objectives.

- **Economy and Financial Environment:** The COVID-19 pandemic continues to affect the markets the CFPB regulates and the environment in which CFPB staff perform their work. To achieve its strategic goals and objectives, the CFPB must appropriately monitor consumer financial markets to surface the emergent risks facing consumers as the economy continues to recover and act to address such risks.
- **Security Threats:** As the role of data and technology in the consumer financial system grows, so does the potential for consumer harm from security threats to these systems. Data breaches, for example, have led to an array of consumer harms, including identity theft and loss of time and money in managing credit reports. The CFPB must continue to vigilantly monitor and address potential vulnerabilities in its own systems, and require the same for the institutions it regulates, as part of consumer protection.
- **Rapid Technological Advancements:** Evolving technologies have driven rapid change in the consumer financial marketplace. This swift pace of change presents real risks and benefits to consumers and institutions. To meet our mission, the CFPB must monitor developments in technology as they intersect with consumer financial markets.
- **Governmental Actions:** Executive, legislative, judicial, and state actions may affect the CFPB's achievement of its strategic goals. Legislation and court rulings may alter the law or the interpretation of law. Actions taken by other financial regulators, at federal and state levels, may impact the financial regulatory environment, and therefore, the CFPB's policy strategies.

Cross-Bureau Priorities

There are several outcomes for households and communities that the CFPB intends to address with a cross-functional, cross-Bureau approach. Many of those outcomes reference the concept of *equity*. The CFPB acknowledges that historical and recent practices of the financial services industry have both caused and exacerbated inequities for minority and traditionally underserved communities. As the CFPB seeks to achieve the outcomes below, we will embed a racial equity lens and focus our attention on these communities, recognizing that work to protect and empower underserved people benefits all people.

The CFPB also recognizes the critical role evidence plays in driving decision-making. As we carry out the below priorities, we emphasize that our prioritization and policy decisions will be driven by the best available evidence.

- **Equitable recovery from the COVID-19 pandemic.** While the full impacts of COVID-19 have yet to be fully realized and understood, we know the pandemic continues to contribute to consumer harm and exacerbate racial inequality, including rising housing insecurity among underserved communities. Throughout the next five years, the CFPB will continue to monitor pandemic recovery and households' financial stability, with a focus on minority and traditionally underserved communities.
- **Equitable access to and engagement with consumer finance infrastructure.** Aspects of core consumer finance infrastructure have embedded structural obstacles for economically disenfranchised populations. These obstacles restrict access to credit entirely or push people to higher cost products. We cannot have a fair, transparent, and competitive financial marketplace until all people can enter and engage in that marketplace. Over the next five years, the CFPB will not only focus on addressing these structural obstacles but on promoting transformation of financial marketplaces to serve all people.
- **Equitable wealth creation from home and small business ownership.** Homeownership is a key building block of wealth, and yet – record high home prices and tightened credit underwriting due to the pandemic may restrict access to housing, further delaying wealth creation among young people and underserved groups. Next to housing, access to credit for small business is critical for individual wealth creation and supports critical community development goals. Small businesses, especially women- and minority-owned, have faced more severe economic consequences flowing from the pandemic. Over the next five years, the CFPB will focus on promoting equitable wealth creation, with a focus on minority and underserved communities, in housing and small business markets.
- **Fair, transparent, and competitive markets for consumer financial products and services.** Over the last several decades, industries across the American economy have consolidated and competition has weakened in many markets – including those under the CFPB's jurisdiction – denying consumers the benefits of an open economy and widening racial, income, and wealth inequality. As the financial marketplace consolidates, some financial institutions are losing the incentive to provide good customer service. The personal touch previously provided by local financial institutions has, in many instances, been replaced with institutions that take advantage of consumers without concern for their well-being. Over the next five years, the CFPB will use its tools to promote competition for the benefit of consumers and law-abiding businesses.
- **Privacy, access, and fairness in a new data-driven economy.** The means by which consumer financial account data are accessed, transmitted, stored, and used by financial institutions of all kinds can implicate significant privacy, security, and other consumer financial protection concerns. The CFPB is particularly concerned about the racial equity impacts from increased usage of data and algorithms in making decisions about people in financial markets. As such, the CFPB will prioritize its work to ensure consumer rights remain at the forefront of the evolving data-economy.

In the following sections, the CFPB's strategic goals are articulated by specific function within the agency.

Overview of Goals and Objectives

The CFPB's strategic plan includes four strategic goals:

Goal	Description
GOAL 1	<p>Implement and enforce the law to ensure consumers have access to fair, transparent, and competitive markets that serve consumers' needs and protect consumers from unfair, deceptive, and abusive practices, and from discrimination.</p> <p>Objectives: To further this goal, the CFPB will:</p> <ol style="list-style-type: none">1) Issue rules and guidance implementing Federal consumer financial law.2) Supervise institutions to ensure compliance with Federal consumer financial laws.3) Enforce Federal consumer financial laws to hold violators accountable and deter misconduct and repeat offenses.
GOAL 2	<p>Empower consumers to live better financial lives, focusing on traditionally underserved people.</p> <p>Objectives: To further this goal, the CFPB will:</p> <ol style="list-style-type: none">1) Engage with consumers, directly and through trusted partners, to provide information, guidance, and technical assistance regarding the offering and provision of consumer financial products or services.2) Collect consumers' inquiries and complaints, and work to ensure companies offering consumer financial products and services provide responses to consumers' complaints.3) Expand the CFPB's reach and build relationships with external stakeholders and government partners to amplify relevant tools, messages, and resources.
GOAL 3	<p>Inform public policy with data-driven analysis on consumers' experiences with financial institutions, products, and services.</p> <p>Objectives: To further this goal, the CFPB will:</p> <ol style="list-style-type: none">1) Monitor consumer financial markets to surface relevant trends and identify areas of risk to consumers.2) Conduct and publish research focused on (a) experiences of underserved and vulnerable communities and their access to credit, (b) consumer awareness, understanding, and behavior with respect to consumer financial products and services and with respect to disclosures and related communications, and (c) market developments impacting consumers, including competition and innovation.
GOAL 4	<p>Foster operational excellence and further commitment to workforce equity to advance the CFPB's mission.</p> <p>Objectives: To further this goal, the CFPB will:</p> <ol style="list-style-type: none">1) Cultivate an engaged and informed workforce to maximize talent and development in alignment with the CFPB's mission.2) Define and implement a modern, forward-leaning workplace model that is responsive to the CFPB's organizational needs.3) Advance the work of the CFPB through innovative and optimized operational support.

Goal 1: Implement and enforce the law to ensure consumers have access to fair, transparent, and competitive markets that serve consumers' needs and protect consumers from unfair, deceptive, and abusive practices, and from discrimination.

To further this goal, the CFPB will achieve the following three objectives.

Objective 1.1: Issue rules and guidance implementing Federal consumer financial law.

Strategies

- Pursue an efficient, transparent, inclusive, evidence-based approach to developing or revising regulations.
- Engage in rulemaking or other activities where appropriate to respond to emerging markets and products, changes in market conditions, innovation, or market failures that present consumer harm.
- Carefully evaluate the potential benefits and costs and the racial and economic equity implications of contemplated regulations.
- Engage in rulemaking where appropriate to address outdated regulations.
- Provide financial institutions, service providers, and other entities with guidance, tools, and other resources to support implementation and compliance with consumer financial protection laws.
- Issue guidance on the use of alternative data, machine learning or artificial intelligence that is compliant with Federal financial law.
- Promulgate regulations required by statute, specifically per Dodd-Frank Act § 1071 and 1033.

Objective 1.2: Supervise institutions to ensure compliance with Federal consumer financial laws.

Objective 1.3: Enforce Federal consumer financial laws to hold violators accountable and deter misconduct and repeat offenses.

Strategies for Objectives 1.2 and 1.3

- Acquire and analyze qualitative and quantitative information and data pertaining to consumer financial products and service markets and companies for enforcing Federal consumer financial laws.
- Focus supervision and enforcement resources on institutions and their product lines that pose the greatest risk to consumers based on the nature of the harm, nature of the product, field and market intelligence, and the size of the institution and product line.
- Focus supervision and enforcement resources on addressing unlawful conduct affecting minority and traditionally underserved communities.
- Focus enforcement resources on obtaining remedies that effectively deter unlawful conduct and ensuring compliance with orders obtained or issued by the CFPB.
- As appropriate, share information, coordinate activity, and promote best practices with fellow supervisory and law enforcement agencies to ensure the most effective use of regulatory resources.
- Mitigate risks to consumers through assessing the compliance management systems of supervised institutions.
- Promote development and enhancement of tools, processes, and methods to identify potential violations and to ensure compliance with Federal consumer financial laws.
- Enhance internal policies, procedures, and systems that facilitate the effectiveness of the CFPB's supervision and enforcement functions.

Goal 2: Empower consumers to live better financial lives, focusing on traditionally underserved people.

To further this goal, the CFPB will achieve the following four objectives.

Objective 2.1: Engage with consumers, directly and through trusted partners, to provide information, guidance, and

technical assistance regarding the offering and provision of consumer financial products or services.

Strategies

- Expand and diversify CFPB's reach nationwide using a data-driven process using economic activity, markets, experiences of historically underserved populations, and policy initiatives.
- Implement a targeted public engagement and outreach strategy to tribal, rural, limited English proficient, and other underserved communities to build awareness of the CFPB's mission, tools, and resources to drive better outcomes to the American people.
- Amplify the experiences of consumers in support of the CFPB's policy development; understand special populations' challenges in the financial marketplace; and integrate consumer experiences into our tools and resources.
- Identify new opportunities to improve consumer knowledge, financial capability, and access to affordable credit through consumer education and engagement, policy changes, and implementation of effective practices, particularly for the 45 million consumers who are credit invisible.

Objective 2.2: Collect consumers' inquiries and complaints, and work to ensure companies offering consumer financial products and services provide responses to consumers' complaints.

Strategies

- Answer consumers' questions about consumer financial products and services and provide updates on their complaints.
- Support timely responses to consumers' complaints by efficiently sending complaints to companies.

Objective 2.3: Expand the CFPB's reach and build relationships with external stakeholders and government partners to amplify relevant tools, messages, and resources.

Strategies

- Enhance outreach and engagement with historically underserved communities and their intermediaries with the CFPB's policies and resources to improve their financial well-being.

- Broaden and enhance outreach to intergovernmental partners on the CFPB’s mission, objectives, and programs.
- Engage diverse external stakeholders, improve operational functions, and consumer-facing tools to anticipate and overcome barriers to an equitable financial recovery to achieve an inclusive and sustainable financial marketplace.
- Institutionalize and sustain the CFPB’s Housing Insecurity Campaign to help consumers facing housing insecurity or those displaced from housing due to COVID-19 in a long-term capacity.
- Develop relationships with government agencies, private industry, fair lending, civil rights, economic experts and academics, and consumer and community advocates to promote fair lending compliance and education, including on redlining, algorithmic bias, appraisals, LEP and Special Purpose Credit Programs.

Goal 3: Inform public policy with data-driven analysis on consumers’ experiences with financial institutions, products, and services.

To further this goal, the CFPB will achieve the following two objectives.

Objective 3.1: Monitor consumer financial markets to surface relevant trends and identify areas of risk to consumers.

Strategies

- Effectively monitor consumer financial markets for risks to consumers.
- Acquire, collect, and maintain the data and other intelligence necessary to effectively monitor markets for risks to consumers.
- Ensure CFPB policy development and other functions are informed by the latest market developments and trends.
- Analyze consumer complaints and share data and insights to identify areas of risk to consumers.

Objective 3.2: Conduct and publish research focused on (a) experiences of underserved and vulnerable communities and their access to credit, (b) consumer awareness, understanding, and behavior with respect to consumer financial products and services and with respect to

disclosures and related communications, and (c) market developments impacting consumers, including competition and innovation.

Strategies

- Research, analyze, and report on developments in markets for consumer financial products and services⁵ that apply to and contribute directly to policies that promote consumer and household financial well-being for all, including research to help the public understand inequities in markets and systemic barriers to credit.
- Assess competition and innovation in the consumer financial marketplace.
- Collect and disseminate data to inform research and improve understanding of consumer finances.
- Expand the reach and impact of CFPB's research by engaging the public, including establishing external research partnerships to pursue new data and field work opportunities.

Goal 4: Foster operational excellence and further commitment to workforce equity to advance the CFPB's mission.

To further this goal, the CFPB will achieve the following three objectives.

Objective 4.1: Cultivate an engaged and informed workforce to maximize talent and development in alignment with the CFPB's mission.

Strategies

- Reinforce human capital policies and programs to help the agency effectively and efficiently manage a talented, engaged, diverse, and inclusive workforce.
- Analyze and mature our learning and development opportunities to develop the new skills, leadership traits, and professional growth required for a modern workforce.

⁵ This is inclusive of the categories included in Objective 3.2, the research topics outlined in the Dodd-Frank Act, 1013(b), and themes included in the Strategic Outlook.

- Foster a positive, innovative work environment that promotes diversity, equity, integrity, inclusion, and trust for all employees.
- Review and redesign the skills and values we want in the CFPB's employees and enhance our services to enable them to do their best work.
- Maintain comprehensive equal employment opportunity (EEO) compliance and diversity and inclusion programs, including those focused on minority and women inclusion.

Objective 4.2: Define and implement a modern, forward-leaning workplace model responsive to the CFPB's organizational needs.

Strategies

- Optimize utilization of the CFPB's workplace to promote the well-being, safety, security, accessibility, and productivity of all employees.
- Deploy and maintain a complementary suite of cost-effective and secure tools and technology to optimize the way staff can execute their work collaboratively and efficiently.
- Further the goals of the CFPB's Office of Equal Opportunity and Fairness, which includes: ensuring that DEIA goals and priorities are developed and implemented; enforcing federal civil rights laws prohibiting workplace discrimination; coordinating fair lending activities and ensuring fair, equitable, non-discriminatory access to credit for both individuals and communities; maintaining the Disability and Accessibility Program.

Objective 4.3: Advance the work of the CFPB through best-in-class operational support.

Strategies

- Provide easy to access data and analytics to the people who need it, when they need it to support data-driven decision-making, rulemaking, and oversight.
- Mature and embed cybersecurity best practices from inception with strategic planning, resource allocation and development of systems, policies and processes.
- Align resources to the mission and promote budget discipline to ensure resources are properly and effectively allocated.
- Provide accurate, complete, and meaningful information about the financial and operating performance of the CFPB to promote integrity and transparency to internal and external stakeholders.

- Mature the Enterprise Risk Management (ERM) program to strengthen leadership decision-making, align risk considerations with strategic planning, prioritization, and resource allocation, foster a risk-aware culture, and improve overall organizational performance.
- Mature the Enterprise Data Management (EDM) program to ensure the CFPB's data and information are appropriately accessible by internal and external stakeholders and deliver value to leadership decision-making.
- Conduct barrier analyses and implement associated action items to eliminate identified barriers to equal employment opportunity.

Appendix

CFPB Strategy, Planning and Prioritization Documents, and Programs

Tool-Specific Priorities and Plans

The CFPB uses a variety of tools to accomplish its mission, including research, market monitoring, regulation, supervision, enforcement, and consumer education among others, each of which involves planning and prioritization. Where possible, the CFPB publishes priorities and plans for how each of the major tools will be used.

Unified Agenda: The CFPB publishes a semi-annual regulatory agenda, in accordance with the Regulatory Flexibility Act, containing its planned rulemaking activities. [View previous Unified Agendas.](#)

Supervision Priorities: The CFPB develops an annual calendar for its supervisory activities, informed by assessments of consumer risk in the market. *This is an internal document.*

Research Agenda: The CFPB engages in regular planning for the foundational and other research it will perform in the short-, medium-, and long-term. *This is an internal process.*

Annual Performance Plan (APP)

The CFPB's APP identifies the performance goals, performance measures, and targets for each strategic goal and objective; describes the agency's accomplishments; and presents the results of the agency's performance metrics. In addition, contains the CFPB's most current view of budget projections and corresponding measures across its performance goals. [View the CFPB's previous APPs.](#)

Agency Risk Profile and Risk Appetite Statement

The CFPB has developed two planning documents as part of its Enterprise Risk Management (ERM) Program. The Agency Risk Profile identifies the risks the CFPB faces in achieving its strategic goals and objectives and identifies appropriate options for addressing such risks. The Risk Appetite Statement articulates the broad-based amount of risk an organization is willing to accept in pursuit of its mission and vision. *These are internal documents.*

CFPB Evidence-Building Agenda

The CFPB is currently developing its Evidence-Building Agenda, which lays out past and planned evidence-building activities that advance our strategic goals, in accordance with the Evidence Act and supplementary Federal guidance. *Once finalized, the Evidence-Building Agenda will be published on the CFPB's website.*

Data Strategy

The CFPB is currently developing its Open Data Strategy, in accordance with the Evidence Act. *Once finalized, the Data Strategy will be published on the CFPB's website.*

CFPB Diversity, Equity, Inclusion and Accessibility (DEIA) Strategic Plan

The CFPB's DEIA Strategic Plan identifies actions to advance DEIA, in compliance with the President's [Executive Order](#). The plan will cover from FY 2022 to 2027, with annual reporting on progress against the goals of the plan published in June of each year. *Once finalized, the DEIA Strategic Plan will be published on the [CFPB's Diversity & Inclusion Page](#).*