

Consumer Financial Protection Bureau Launches Initiative to Save Americans Billions in Junk Fees

Agency Seeks Public Input on Fees on Bank Accounts, Credit Cards, and Other Financial Products

JAN 26, 2022

WASHINGTON, D.C. – Today, the Consumer Financial Protection Bureau (CFPB) launched an initiative to save households billions of dollars a year by reducing exploitative junk fees charged by banks and financial companies. Today's request is a chance for the public to share input that will help shape the agency's rulemaking and guidance agenda, as well as its enforcement priorities in the coming months and years.

"Many financial institutions obscure the true price of their services by luring customers with enticing offers and then charging excessive junk fees," said CFPB Director Rohit Chopra. "By promoting competition and ridding the market of illegal practices, we hope to save Americans billions."

Companies across the U.S. economy are increasingly charging inflated and back-end fees to households and families. This new "fee economy" distorts our free market system by concealing the true price of products from the competitive process. For example, hotels and concert venues advertise rates, only to add "resort fees" and "service fees" after the fact. And fees purportedly charged to cover individual expenses, like paperwork processing, can often greatly exceed the actual cost of that service.

The CFPB's research has found several areas where back-end fees might obscure the true cost of a product and undermine a competitive market:

- In 2019, the major credit card companies charged over [\\$14 billion](https://files.consumerfinance.gov/f/documents/cfpb_consumer-credit-card-market-report_2021.pdf) [📄](https://files.consumerfinance.gov/f/documents/cfpb_consumer-credit-card-market-report_2021.pdf) (https://files.consumerfinance.gov/f/documents/cfpb_consumer-credit-card-market-report_2021.pdf) each year in punitive late fees.
- In 2019, bank revenue from overdraft and non-sufficient funds (NSF) fees surpassed [\\$15 billion](https://files.consumerfinance.gov/f/documents/cfpb_overdraft-call_report_2021-12.pdf) [📄](https://files.consumerfinance.gov/f/documents/cfpb_overdraft-call_report_2021-12.pdf) (https://files.consumerfinance.gov/f/documents/cfpb_overdraft-call_report_2021-12.pdf).

The CFPB will strive to strengthen competition in consumer finance by using its authorities to reduce these kinds of junk fees. To craft rules, issue industry guidance, and focus supervision and enforcement resources to achieve this goal, the CFPB is seeking input from the public. Public comments provide valuable insights that allow the CFPB to target the most pressing needs and concerns, including uncovering potential illegal practices or fees.

The CFPB is interested in hearing about people's experiences with fees associated with their bank, credit union, prepaid or credit card account, mortgage, loan, or payment transfers, including:

- Fees for things people believed were covered by the baseline price of a product or service
- Unexpected fees for a product or service
- Fees that seemed too high for the purported service
- Fees where it was unclear why they were charged

The CFPB is also interested in hearing from small business owners, non-profit organizations, legal aid attorneys, academics and researchers, state and local government officials, and financial institutions, including small banks and credit unions.

[Read today's Request for Information Regarding Fees Imposed by Providers of Consumer Financial Products or Services.](https://www.consumerfinance.gov/documents/10365/cfpb_fees-imposed-by-providers-of-consumer-financial-products-services_rfi_2022-01.pdf) [↓](https://www.consumerfinance.gov/documents/10365/cfpb_fees-imposed-by-providers-of-consumer-financial-products-services_rfi_2022-01.pdf) (cfpb.gov/documents/10365/cfpb_fees-imposed-by-providers-of-consumer-financial-products-services_rfi_2022-01.pdf)

Consumers having an issue with a consumer financial product or service can [submit a complaint with the CFPB online](https://www.consumerfinance.gov/complaint/) (https://www.consumerfinance.gov/complaint/) or by calling (855) 411-CFPB (2372).

###

The Consumer Financial Protection Bureau is a 21st century agency that implements and enforces Federal consumer financial law and ensures that markets for consumer financial products are fair, transparent, and competitive. For more information, visit [consumerfinance.gov](https://www.consumerfinance.gov) (cfpb.gov).

If you want to republish the article or have questions about the content, please contact the press office.

[Go to press resources page \(cfpb.gov/about-us/newsroom/press-resources/\)](https://cfpb.gov/about-us/newsroom/press-resources/)

 An official website of the United States government