

# PUBLICATION

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## CFPB's October Complaint Snapshot Focuses on Credit Card Complaints

November 13, 2015

The Consumer Financial Protection Bureau (CFPB) has been taking complaints from consumers about all financial service products, including credit cards, since its inception on July 21, 2011. As of October 1, 2015, the CFPB has handled more than 726,000 complaints related to various financial products. Recently the CFPB began releasing a monthly snapshot summarizing a specific sub-section of consumer-related complaints. The October snapshot highlighted credit card complaints. A copy of the October monthly complaint report can be found [here](#).

A recent study found that U.S. consumers carried more than \$700 billion in credit card debt. Therefore, it comes as no surprise that since the CFPB began accepting and tracking consumer complaints, approximately 79,500 of all complaints involved credit card products. Consumers most frequently complained about incurring late fees and credit report discrepancies because of confusing payment processing schedules and difficulty disputing bill inaccuracies. The monthly report highlighted the most reported complaints:

- The monthly snapshot showed that 16 percent of consumer credit card-related complaints were about problems making payments. Consumers complained that they were often charged surprise late fees because the company did not make it clear that payments would not be credited the day the payment was made.
- Credit card dispute issues were reported as a source of confusion and frustration for many consumers. Some consumers complained that they did not have clear information on the amount of time they had to dispute charges, while others expressed confusion that the credit card company would not assist in disputing charges with a merchant.
- Credit card account closures made up 7 percent of September credit card complaints. Consumers reported that their accounts were closed by the credit card company without any advance warning. Although many credit card companies explained that these closures were the result of suspected fraud, consumers said that they were not informed of the alleged fraud prior to the cards being deactivated.

The most complained-about companies were Citibank, Capital One, GE Capital Retail and JPMorgan Chase. These companies represented nearly 60 percent of complaints submitted to the CFPB between May and July 2015.

CFPB Director Richard Cordray emphasized the CFPB's dedication to overseeing the relationship between credit card companies and consumers, "Credit cards are an important financial tool for over half of the adults in this country. It is important for consumers to be able to control how their payments are applied and to have clear information about their rights as cardholders. The Bureau will continue to work to protect people as they are using credit cards."

This snapshot demonstrates the CFPB's continued involvement in the consumer complaint process. Whether realistic or not, the CFPB expects companies to respond to complaints and describe the steps they have taken or plan to take to resolve the complaint within 15 days of receipt of the complaint. Even more surprising, the CFPB expects companies to close most complaints within 60 days of receipt.

Baker Donelson attorneys are well equipped to handle any CFPB-related issue your company may face, ranging from routine CFPB consumer complaint responses to more complex CFPB audits. We encourage you to contact our team of attorneys should the CFPB come knocking at your door.