



CFPB Priorities Are Out Of Step With Consumer Concerns

From “problems with a purchase” to “credit card rewards”, consumers have made crystal clear their concerns with modern lending.
So why does CFPB continue to ignore them?

by **Timothy Schenk**, *Deputy General Counsel*

I began my law career working at a large firm in Washington D.C. Every time I visit our nation’s capital, I take time to see the monuments, revisit the tiny apartment I lived in, and make the walk over to the building I worked at in DuPont Circle.

While walking down G Street, I couldn’t help but notice the giant letters of “CFPB” with Consumer Financial Protection Bureau underneath. It occurred to me that those letters didn’t exist when I lived there. There simply was no CFPB. There was no Dodd-Frank and quite frankly, many of the regulations we have today did not exist.

As I continued, I couldn’t stop thinking about how much things have changed in banking since my time in Washington. TRID, 1071 and other regulations came to mind. It was a whirlwind of trying to recall

how we got here. My thoughts quickly came into focus on a key question: what is the purpose of the CFPB?

The CFPB’s website states that, “The CFPB was created to provide a single point of accountability for enforcing federal consumer financial laws and protecting consumers in the financial marketplace. Before, that responsibility was divided among several agencies. Today, it’s our primary focus.”

While I doubt any banker would agree that there is a “single point of accountability” for enforcing federal consumer financial laws, I understand the CFPB’s premise that, “...we protect the consumer from unfair, deceptive, or abusive practices and take action against companies that break the law.”

But who is that consumer the CFPB is serving? According to the CFPB’s 2022 Consumer Response Annual Report, “the CFPB received approximately 1,287,300 consumer complaints”. Those complaints are categorized with “credit or consumer reporting” accounting for 978,900 or seventy six percent (76%) of the 1,287,300 complaints the CFPB received.

Debt collection accounted for 115,980 or nine percent (9%) of the complaints the CFPB received. More interesting is categories with a lack of complaints. Credit cards, for example, which accounted for 50,800 or four percent (4%) of the 1,287,300 complaints the CFPB received.

Looking at that data more granularly, well over half of the complaints on credit cards were for “problems with a purchase,” “getting a credit card,” and “problem

Kentucky Banker

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March/April 2023

Cover Photography: Matt Simpson



Introducing...
Emerging Leaders
Class of 2023!

The KBA is proud to formally announce our new Emerging Leaders, Class of 2023!

These dynamic individuals are making waves in an industry where fresh talent is cherished. We celebrate their commitment and hard work to not only serving their banks, but their communities as well.

Kentucky Banker Magazine asked each of them to talk about what motivates them the most. That they all spoke about serving the community tells you all you need to know about their character.

Congratulations to each of you! We can't wait to see what the future holds as you continue to thrive in this industry.

- **Debra Stamper,**
KBA EVP & General Counsel

Samantha David
VP Credit Administration Office
 Kentucky Farmers Bank, Ashland

Cory Chestnut
Director of Sales & Services
 Forcht Bank, Lexington

"KFB participated in the Payroll Protection Program. We were able to get much needed funds into the hands of local businesses when other banks either weren't a PPP lender or only servicing select customers. We assisted anyone who needed our help and through our efforts, we were able to originate over 500 loans in excess of \$20 million."

"As a member of the community, I have been invited to serve on local boards and committees that address issues like economic development, education, or philanthropy. This gives me the opportunity to use my expertise to make a positive impact in my community."



Keziá E. Ramsey
Retail Branch Manager
 Monticello Banking Co., Louisville

Greg Mills
CFO
 Farmers National Bank, Lebanon

Skyler Kanipe
Project Manager
 Community Financial Serv. Bank, Benton

"My personal conviction is that everyone should be given the opportunity to explore and learn, which thankfully is matched by the investment MBC makes in the communities its bankers' serve."

"FNB of Lebanon instills community involvement within our core values and provides great opportunities to serve locally. I personally have served on the local Library board for 8 years, served as Treasurer for a local community center for 5 years, and have helped manage the finances of our annual fall festival."

"Community is our purpose and it's a huge part of our culture and who we are. CFSB is committed to providing educational tools and services that enhance the communities we serve. Luckily for me, my role as Project Manager allows me to be directly involved. Helping others is what drives my love for banking and has become my favorite part of my role at CFSB!"



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January / February 2023

President & CEO Ballard W. Cassidy Jr.

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EVP Debra Stampler

Lying Liars & How To Stop Them.

Education is Key.

Dep. Gen. Counsel

Timothy Schenk

1071 is Here. Are You Ready?

Photography by
Meagan Jordan Simpson

Official Publication of the
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Are things in America

Coming Undone?

With the nation divided and distrust at a fever pitch, what will it take to transcend factionalism in America?

by **Ballard Cassady** *KBA President*

“What’s happening to America?”

It may be a loaded question with assumptions we don’t all share, but it’s on the mind of every American I know (and plenty of Europeans) who think for a living. I spent much of the 17 hours of drive time for a recent KBA event listening to some of those thinkers. Their objectivity and insights helped me organize thoughts I’ve had for a long time.

If statistics can be believed, nothing is trending in a positive direction. Every

facet of American life – from culture to institutions to politics – has become unrecognizable to most people over 40. Just when you think the headlines couldn’t get more shocking, they do. They suggest a blatantly politicized justice system akin to those in the world’s so-called hell holes. As bankers, we’ve seen up close that overt systemic corruption when we’re singled out for some of the most witless and extortionate policies an unaccountable federal bureaucracy can devise.

Don’t think it’s a politically partisan question. No one political party could have done this much damage in so few decades. It took bipartisan “teamwork.” And let’s not kid ourselves. It took the dereliction of a goodly chunk of the American electorate as

well. Elections matter, and we usually get what we deserve – or at least tolerate. The question I struggle with most is why it happened. Why are we in economy-killing debt? Why is the rule of law under assault at every turn, starting at our borders? Why have our primary sources of news become blatant propaganda controlled by so-called elites? Why is family formation plummeting, with mental illness and addiction exploding? Why do American high schools in world rankings fail to even crack the top 20? Those are just some 30,000 feet questions. Come down to the level of city streets and the signs of societal disintegration get really ugly.

The thing that worries me most? My generation is being succeeded by some that