



Credit Cards, Consumer Complaints

The CFPB's Consumer Complaint Database
Gets Real Results for Credit Card Holders

PIRGIM
Education Fund

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Executive Summary

The Consumer Financial Protection Bureau (CFPB) was established in 2010 in the wake of the worst financial crisis in decades. Its mission is to identify dangerous and unfair financial practices, to educate consumers about these practices, and to regulate the financial institutions that perpetuate them.

To help accomplish these goals, the CFPB has created and made available to the public the Consumer Complaint Database. The database tracks complaints made by consumers to the CFPB and how they are resolved. The Consumer Complaint Database enables the CFPB to identify financial practices that threaten to harm consumers and enables the public to evaluate both the performance of the financial industry and of the CFPB.

This is the fourth in a series of reports that review complaints to the CFPB nationally and on a state-by-state level. In this report we explore consumer complaints about credit cards with the aim of uncovering patterns in the problems consumers are experiencing with their credit cards and documenting the role of the CFPB in helping consumers successfully resolve their complaints.

Despite the benefits to consumers brought by enactment of the Credit Card Accountability Responsibility and Disclosure (Credit CARD) Act of 2009, consumer complaints about credit cards remain common. **Between November 2011—when the Consumer Financial Protection Bureau began recording data on credit cards—and September 10th, 2013, the CFPB recorded more than 25,000 complaints about credit cards.**

- Capital One was the most complained-about credit card issuer by total number of complaints, followed by Citibank, Bank of America and JPMorgan Chase.
- GE Capital Retail was the most complained-about credit card company among the top 10 card issuers based on the ratio of complaints to card purchase volume. GE Capital Retail experienced 88 complaints per billion dollars in purchase volume, followed by Capital One with 46 complaints and Barclays with 25 complaints per billion dollars in purchase volume.

- Ten U.S. credit card companies accounted for about 93 percent of all consumer complaints to the CFPB. (See Figure ES-1.)

Consumers face a wide array of problems with their credit cards. The most common problem faced by consumers was billing disputes, followed by difficulties with annual percentage rates (APR) or interest rates, and trouble with identity theft, fraud or embezzlement. Thousands of consumers also complained about problems with closing or canceling accounts, late fees and collection practices.

Complaints about companies vary by state, and state residents vary in their tendency to reach out to the CFPB.

- Capital One was the most com-

plained-about credit card company in 43 states, while Citibank was the most complained-about company in six states and the District of Columbia. Bank of America was the most complained-about company in Alaska. (See Figure ES-3.)

- Residents of Northeastern states are most likely to complain about their credit cards, while consumers in the Midwest and South are least likely. The District of Columbia had the most complaints per capita, followed by Delaware, Maryland, New York, New Jersey, Florida, Connecticut, Massachusetts, Virginia and Maine.

The CFPB is making a significant difference for consumers facing difficulty with their credit card companies.

Figure ES-1. Ten Companies Accounted for About 93 Percent of Complaints to the CFPB about Credit Cards

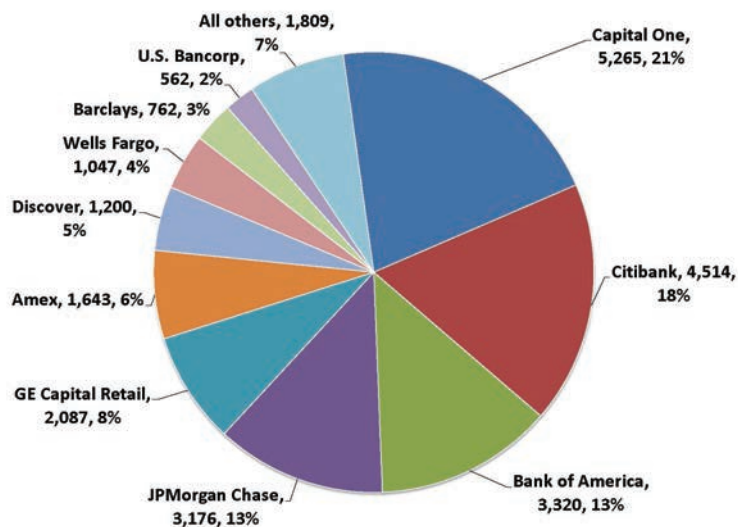


Figure ES-2. Billing Disputes Are the Most Frequent Source of Complaints to the CFPB about Credit Cards

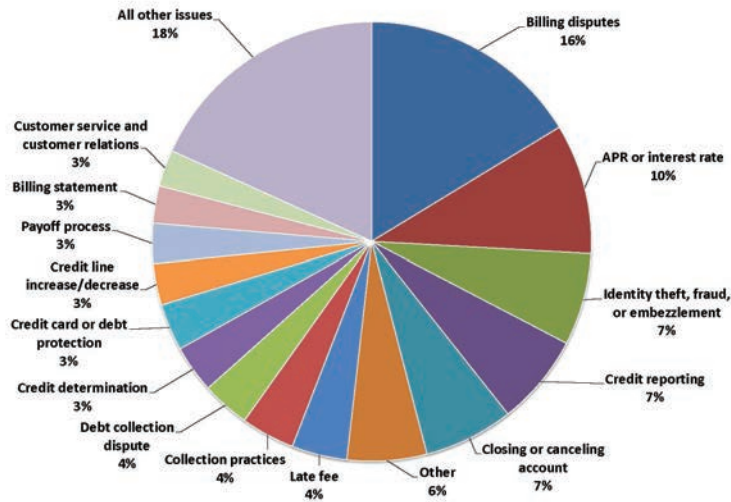


Figure ES-3. Capital One Is the Most Complained-about Credit Card Company in 43 States

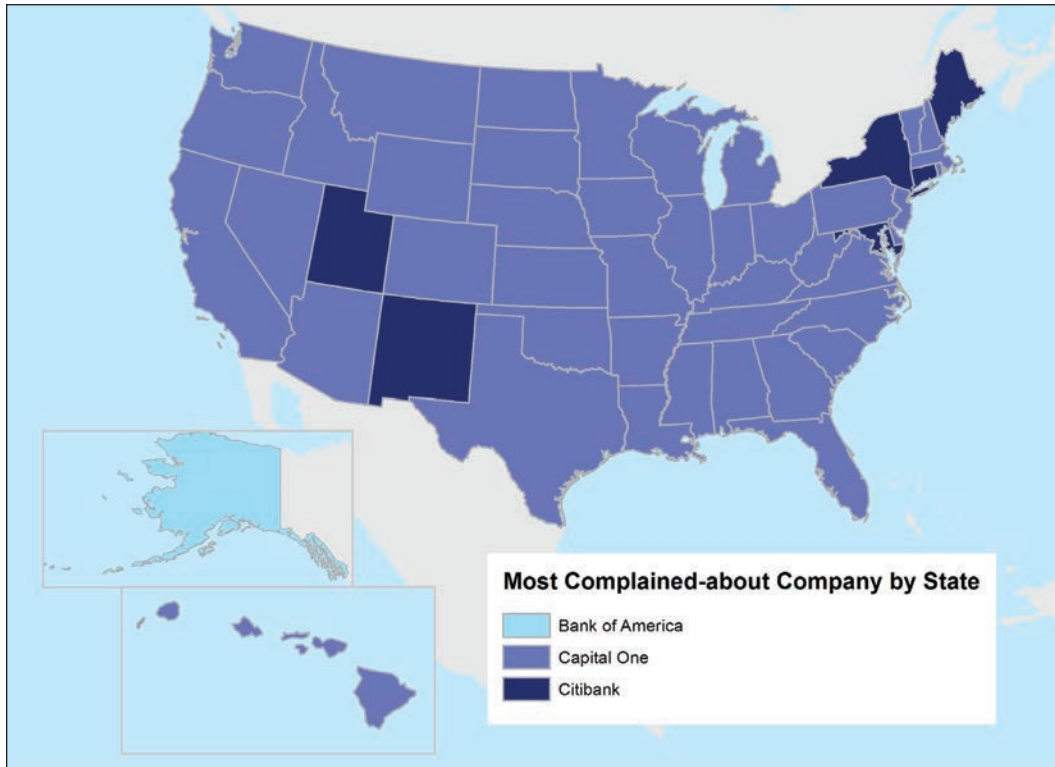
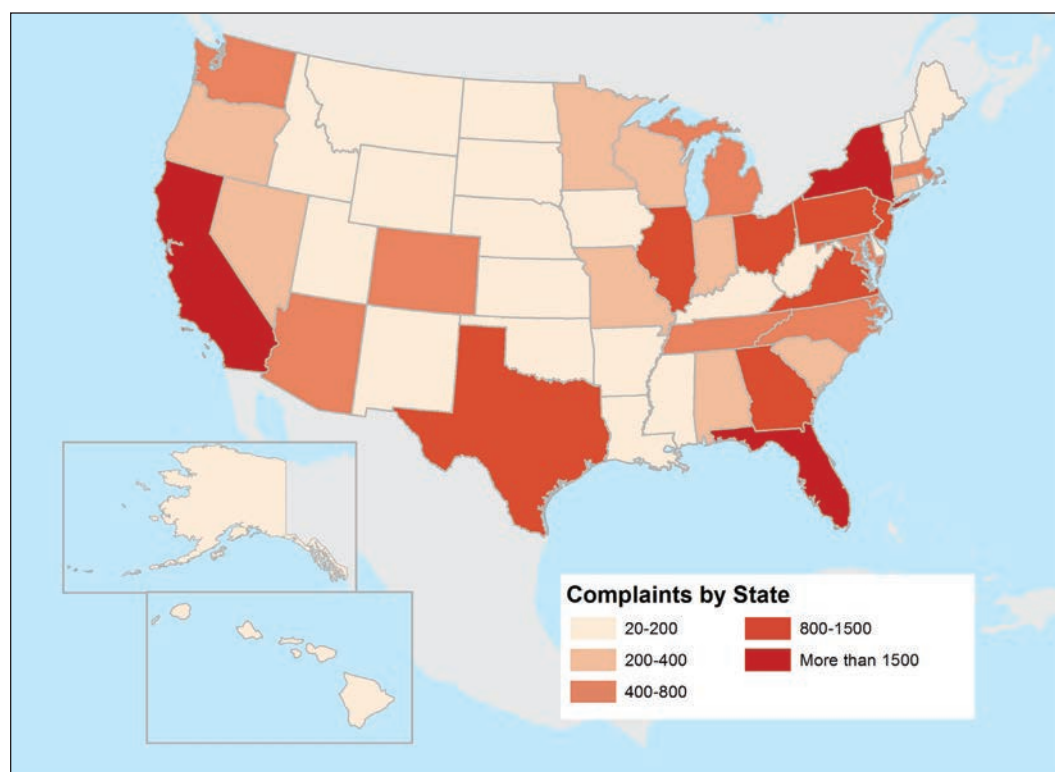


Figure ES-4. Complaints about Credit Cards Vary by State



- The CFPB has helped more than 7,300 consumers—about three in 10 complainants—to receive monetary compensation as a result of their credit card complaints. (See Figure ES-5.) The median amount of monetary relief for consumers with credit card complaints through mid-2013 was \$128. More than 2,000 additional consumers have had their complaints closed with some form of non-monetary relief, which includes actions such as altering account terms or fixing an incorrect submission of information to a credit bureau.
- Credit card companies vary greatly in the degree to which they respond to consumer complaints with offers of monetary relief. Nearly two out of every five complaints concerning GE Capital Retail resulted in monetary relief to the consumer, while only about 20 percent of complaints concerning American Express did.
- About 20 percent of responses from credit card companies were deemed unsatisfactory by consumers and were subjected to further dispute.
- Of the 10 companies with the most overall complaints, the company with the highest number of disputed responses was Capital One, with 1,044, followed by Citibank and Bank of America. (See Table ES-1.) These three credit card companies were also the three companies with the highest number of overall complaints.

Figure ES-5. Nearly 40 Percent of Credit Card Customers Received Monetary or Non-Monetary Relief After Complaining to the CFPB

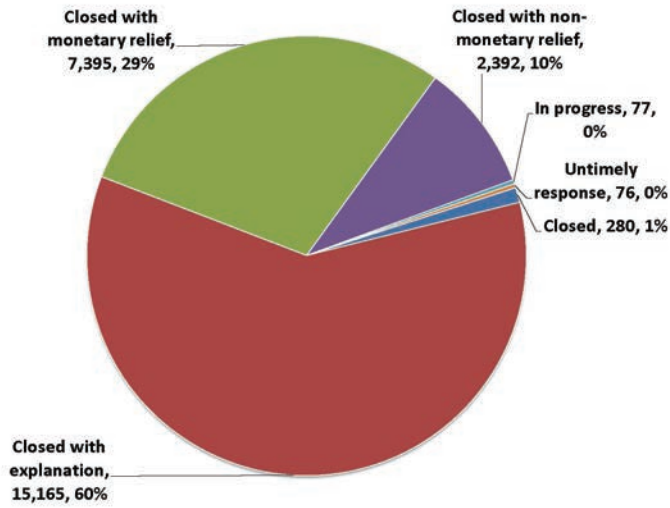


Table ES-1. Companies Vary in the Degree to which Consumers Dispute their Responses to CFPB Complaints

Rank	Company	Disputed Complaints	Percentage of Complaints Disputed
1	Capital One	1,044	20%
2	Citibank	954	21%
3	Bank of America	712	21%
4	JPMorgan Chase	634	20%
5	Amex	426	26%
6	GE Capital Retail	283	14%
7	Discover	213	18%
8	Wells Fargo	208	20%
9	Barclays	158	21%
10	U.S. Bancorp	129	23%

- Of the 10 companies with the most overall complaints, the company with the greatest proportion of disputed responses was American Express (Amex), with just over a quarter of responses disputed. Of these same companies, GE Capital Retail had the lowest proportion of disputed responses, at 14 percent.
- Provide regular trend analyses and monthly detailed reports on complaint resolutions and disputes.
- Simplify the interfaces that allow users to summarize complaint database reports in graphical and printable formats.

The Consumer Financial Protection Bureau’s Consumer Complaint Database is a key resource for consumer protection. To enhance the ability of the CFPB to respond to consumer complaints, the CFPB should:

- Add more detailed information to the database, such as actual complaint narratives, detailed complaint categories and subcategories, complaint resolution details, consumer dispute details, and data regarding membership in classes protected from discrimination by law. Expansion of complaint-level details should include more information about amounts and types of monetary and non-monetary relief. Software and other techniques should be used to protect consumer privacy by giving consumers the right not to provide details and by taking steps to prevent the release of personally-identifiable information or the re-identification of consumers. It is critical that the Bureau achieve the disclosure of more individual complaint details while simultaneously making every reasonable effort to protect personal data.
- Add features such as clear definitions of terms and instructions.
- Publicize information about the CFPB complaints process in forums that are likely to be seen by credit card users. The agency should develop more outreach mechanisms for consumer education about the database and its services for consumers, including through the creation of educational materials to be distributed on- and off-line, through more events outside Washington, D.C., and through non-profit organizations.
- Develop free applications (apps) for consumers to download to smartphones to access information about how to complain about a firm and how to review complaints in the database.
- Expand the Consumer Complaint Database to include discrete complaint categories for high-cost credit products such as auto title loans and prepaid cards. We commend the CFPB for adding payday loan complaints to the database in November 2013.
- Continue to use the information gathered from the Consumer Complaint Database, from supervisory and examination findings, and from other sources to require a high, uniform level of consumer protection and ensure that responsible industry players can better compete with those who are using harmful practices.

Introduction

Credit cards are virtually ubiquitous in modern America. We carry them around in our pockets, bring them to restaurants and baseball games, and rarely leave home without one. They help us go on vacations, afford this month's rent payment, or go out for coffee before work.

Yet credit cards also pose serious risks to consumers. The average indebted American household carries card debt of over \$15,000.¹ While that figure is exaggerated by a few extremely indebted individuals, and median debt is lower, credit card debt remains a fact of life for many Americans. And when faced with confusing credit card agreements, identity theft and fraud, or seemingly arbitrary fees and charges on their bills, many consumers don't know where to turn.

Credit card issuers have a long history of using deceptive marketing tactics, questionable billing practices, and dubious fees and charges to extract money from consumers. Among the earliest companies held accountable for these strategies was San Francisco-based Providian Financial Corporation, which between 2000 and 2002 paid over \$400 million to settle charges of consumer deception.²

At the time, Providian founder Andrew Kahr, famous for his statement that the "problem is [how] to squeeze out enough revenue and get customers to sit still for the squeeze," advised the company not to tell customers that their credit cards don't have grace periods and to promote "no-annual-fee" cards that in fact required consumers to pay annual credit protection fees of up to \$96. He also suggested that a better way to market a credit card's 1-percent rebate program would be "just by randomly or systematically giving a few customers a big rebate" and then advertising the rebate program as "up to 30 percent."³

In 2009, after these and other unfair practices had been adopted by other players in the industry, Congress acted to protect consumers from many of the worst abuses by adopting the Credit Card Accountability Responsibility and Disclosure (Credit CARD) Act of 2009. The Credit CARD Act limited the ability of card issuers to impose deceptive or abusive fees or penalty rates of 36 percent APR or more for minor late payments, made it more difficult for credit card companies to ensnare young people and sub-prime

borrowers in debt, and improved disclosure for borrowers. Since adoption of the Credit CARD Act, the total cost of credit to consumers has dropped by 2 percent and some of the worst industry practices have been virtually eliminated.⁴

However, consumers still face many challenges with their credit cards, including some newer practices that put them at risk. Recently, credit card companies have begun offering so-called “debt protection” programs, which purport to protect the consumer against credit card debt in the case of job loss, illness or other personal hardship. Unfortunately for consumers, as *Reuters* reports, credit card issuers can find loopholes that allow them to avoid paying out debt protection money to consumers. The Government Accountability Office (GAO) found that consumers receive just 21 cents in benefits for every dollar they spend on debt protection programs—resulting in high profit margins for credit card companies and financial hardship for cardholders.⁵ As criticism of such products ballooned, and CFPB enforcement intensified, Bank of America stopped selling debt protection services in 2012, and JPMorgan Chase halted sales to new customers.⁶

These kinds of credit card practices underscore the need for a watchdog whose sole purpose is to look out for the interests of consumers in the financial marketplace, including the millions of Americans who hold credit cards. Consumers need a watchdog with the power to investigate new credit card schemes, work on consumers’ behalf in disputes with financial services firms, and stop the most egregious anti-consumer practices.

Today, in the form of the Consumer Financial Protection Bureau (CFPB), consumers have that watchdog. Created in 2010, the CFPB has already made a big difference for consumers in many areas of consumer financial protection. The agency has cracked down on illegal kickbacks from mortgage insurers to mortgage companies.⁷ It has investigated abusive “overdraft protection” policies by banks that can result in consumers paying hundreds of dollars in fees for a single overdraft. It has exposed the sale of inaccurate credit scores to consumers that differ from the scores used by lenders to make credit decisions.⁸ And perhaps most importantly for credit card holders, it has imposed nearly \$800 million in consumer restitution and civil enforcement penalties for unfair practices by four large credit card companies, primarily for add-on protection schemes like those pioneered by Andrew Kahr and Provident in the early 2000s.⁹

In this, the fourth in a series of analyses of the Consumer Complaint Database, we focus on complaints regarding credit cards. Roughly 1,200 consumers each month have complained to the CFPB about problems with their credit cards. By reviewing patterns of consumer complaints, citizens can determine which companies in their region have been subject to the most complaints and which have been the most effective at resolving consumer complaints.

The consumer complaints reviewed in this report indicate that America is a long way from having a financial marketplace that serves consumers. America needs a strong CFPB.

The Consumer Financial Protection Bureau: A Watchdog for Consumers

The U.S. financial crisis of 2008 was the product of an under-regulated financial system run amok. Millions of consumers were lured into mortgages whose terms they could not understand and which they had little hope of ever being able to repay. Easy credit inflated the housing bubble which, when it collapsed, brought down the fortunes of millions of families as well as the broader economy.

The mortgage crisis highlighted the need for more stringent financial regulations and better consumer education. But the problem extended far beyond mortgages. For decades, consumers had increasingly fallen prey to a growing list of predatory financial practices, from payday loans to exorbitant credit card and bank fees—with little help from Washington, D.C.

In 2010, Congress passed the Dodd-

Frank Wall Street Reform and Consumer Protection Act, which created the Consumer Financial Protection Bureau (CFPB), whose mission is to “make markets for consumer financial products and services work for Americans—whether they are applying for a mortgage, choosing among credit cards, or using any number of other consumer financial products.”¹⁰ The bureau started work on July 21, 2011.

The CFPB is a critical asset for consumers: educating the public about financial practices, enforcing consumer protection laws, and analyzing available data to keep track of current trends in the consumer marketplace.¹¹ To fulfill these roles, the CFPB maintains a strong connection with the public it serves—including by receiving and acting upon consumer complaints about financial institutions.

The Consumer Complaint Database: A Critical Part of the CFPB's Mission

The CFPB engages in many tasks as part of its mission to protect consumers. According to the agency's website, the CFPB:

- Writes rules, supervises companies, and enforces federal consumer financial protection laws;
- Restricts unfair, deceptive or abusive acts or practices;
- Takes consumer complaints;
- Promotes financial education;
- Researches consumer behavior;
- Monitors financial markets for new risks to consumers; and
- Enforces laws that outlaw discrimination and other unfair treatment in consumer finance.¹²

Collecting and responding to consumer complaints is a key part of the CFPB's mission, one that contributes to achieving several of the above goals. In particular, consumer complaints enable the CFPB to:

- **Learn about new threats to consumers:** The complaint process is designed to engage consumers when they believe that they have been wronged. The CFPB Office of Consumer Response "hears directly from consumers about the challenges they face in the marketplace, brings their concerns to the attention of companies, and assists in addressing their complaints."¹³

- **Identify trends in issues and potential unfair practices:** The CFPB can use the complaint data in aggregate to identify common issues or sectors where more enforcement is needed.
- **Hold financial services firms accountable:** Making complaint data available to the public increases the accountability of financial institutions. Ideally, these institutions will be less likely to engage in unfair practices out of the fear that they will be held accountable by the public for any resulting increase in complaints. The complaint data also alert the agency about potential enforcement actions that may need to be taken.

How the Consumer Complaint Process Works

When a consumer believes that he or she has been subject to an unfair financial practice, he or she may file a complaint with the CFPB. Filing a complaint triggers a process through which the CFPB passes the complaint along to the relevant financial institution, and later follows up with the consumer to ensure the response was adequate.

The steps are as follows:¹⁴

- **Filing**—The consumer submits a complaint form via the CFPB's consumer complaint website (www.consumerfinance.gov/complaint) or by phone (at 855-411-2372), with telephone complaints accepted in many languages. Consumers can track the progress of their complaints using a variety of tools, including e-mail updates.

- **Review and routing**—CFPB staff review the complaint and, if appropriate, send it to the relevant company (or, if the issue is outside of the CFPB’s jurisdiction, to another government agency).
- **Company response**—The company that is the subject of the complaint responds to the consumer and the CFPB and proposes a resolution to the complaint. The consumer can then provide any response or feedback to the company and the CFPB.
- **Investigation**—CFPB staff review many of the complaints, the companies’ responses, and the consumers’ feedback to prioritize any complaints for investigation or enforcement action.
- **Analysis and reporting**—The CFPB aggregates data about consumer complaints in its complaint database, analyzes those data for trends, and reports regularly to Congress and the public.

The Consumer Complaint Database

Maintaining the Consumer Complaint Database is a key part of the CFPB’s mission. The database provides the agency, the media and consumers with the information needed to monitor trends in consumer complaints and industry’s response to those complaints.

The CFPB’s complaints program

Figure 1. Screenshot of the CFPB’s Consumer Complaint Database

Complaint ID	Product	Sub-product	Issue	Sub-issue	State	ZIP code	Submitted via	Date received	Date sent to consumer
1	649496	Credit card	Billing disputes		NC	28763	Referral	12/30/2013	
2	650291	Credit card	Billing disputes		NY	12208	Web	12/30/2013	
3	648881	Credit card	Transaction issue		NY	10463	Web	12/29/2013	
4	648262	Credit card	Late fee		CA	90732	Web	12/28/2013	
5	647371	Credit card	Credit card protection / Debt protection		WI	53235	Web	12/27/2013	
6	646930	Credit card	APR or interest rate		NJ	08610	Web	12/27/2013	
7	646167	Credit card	Delinquent account		PA	18974	Web	12/26/2013	
8	645047	Credit card	Closing/Cancelling account		FL	33031	Web	12/24/2013	
9	642780	Credit card	Billing statement		VA	22192	Web	12/23/2013	
10	642851	Credit card	Identity theft / Fraud / Embezzlement		CA	92563	Web	12/23/2013	
11	642966	Credit card	Customer service / Customer relations		LA	70809	Web	12/23/2013	
12	644622	Credit card	Identity theft / Fraud / Embezzlement		DC	12345	Web	12/23/2013	
13	643116	Credit card	Billing statement		NY	11105	Web	12/23/2013	
14	643479	Credit card	Billing disputes		MD	20878	Web	12/23/2013	
15	644658	Credit card	Billing disputes		TN	37803	Web	12/23/2013	
16	643519	Credit card	Rewards		WA	98033	Web	12/23/2013	
17	643357	Credit card	Credit card protection / Debt protection		CT	06250	Web	12/23/2013	
18	642753	Credit card	Credit line increase/decrease		NY	10707	Web	12/23/2013	
19	642302	Credit card	Credit determination		CA	91789	Web	12/23/2013	
20	644257	Credit card	Credit determination		NH	03784	Web	12/23/2013	
21	643708	Credit card	Closing/Cancelling account		PR	00727	Web	12/23/2013	
22	643811	Credit card	APR or interest rate		VA	22902	Web	12/23/2013	
23	641579	Credit card	Identity theft / Fraud / Embezzlement		FL	33830	Web	12/22/2013	
24	641609	Credit card	Closing/Cancelling account		MS	38637	Web	12/22/2013	
25	641645	Credit card	Customer service / Customer relations		NY	11223	Web	12/22/2013	
26	641619	Credit card	Identity theft / Fraud / Embezzlement		CA	93065	Web	12/22/2013	
27	641623	Credit card	Late fee		GA	30350	Web	12/22/2013	

and the Consumer Complaint Database have gradually expanded in scope over the two years since the agency began collecting consumer complaints in July 2011. Initially, the CFPB received complaints about credit cards, and has gradually added banks, student loans, credit reporting and other financial services to the complaints program. In July 2013, the agency began accepting complaints about debt collection practices.¹⁵ The agency has also gradually expanded the amount of data available to the public through the database—in May 2013, for instance, the CFPB enabled complaints to be identified by state.

Complaints submitted to the CFPB include information on a variety of topics, including:

- The specific issue or problem the consumer had with that financial service,
- The company that provided the service,
- The date on which the complaint was filed and state from which it was filed,

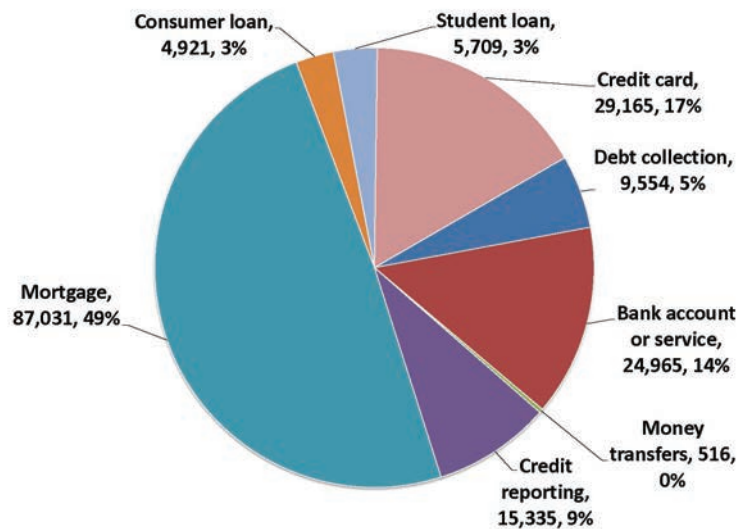
- Several data points associated with the complaint’s resolution (including the steps taken to resolve the complaint and whether the outcome was disputed by the consumer).

The Consumer Complaint Database is updated nightly and includes a breakdown of complaints by financial sector. The CFPB also publishes quarterly summaries of patterns in consumer complaints.

As of December 29, 2013, the CFPB had published data on approximately 175,000 complaints.¹⁶ Of these complaints, more than 29,000 were related to credit cards. About half the complaints were related to mortgages, with student loans, credit reports, and consumer loans also attracting thousands of complaints each.

This report is the fourth in a series of reports tracking trends in consumer complaints to the CFPB. Each report will review a specific sector of the financial services industry. In this fourth report, we focus on a vital issue of importance to many Americans: credit cards.

Figure 2. Overall Complaints Received by the CFPB by Issue¹⁷



Consumer Complaints about Credit Cards

The Consumer Financial Protection Bureau received responses to roughly 25,000 complaints about credit cards between November 2011, when it began recording credit card complaints, and September 10, 2013. The CFPB's Consumer Complaint Database provides a rich source of information about the types of credit card services that most frequently cause problems for consumers, as well as which companies in which states are the most frequent subjects of consumer dissatisfaction.

Complaints by Issue

The CFPB accepts consumer complaints regarding 33 categories of credit card issues. The issues receiving the highest number of consumer complaints were billing disputes, APR or interest rates, and identity theft, fraud or embezzlement. Thousands of consumers also complained about difficulty with closing or canceling accounts, late fees and collection practices.

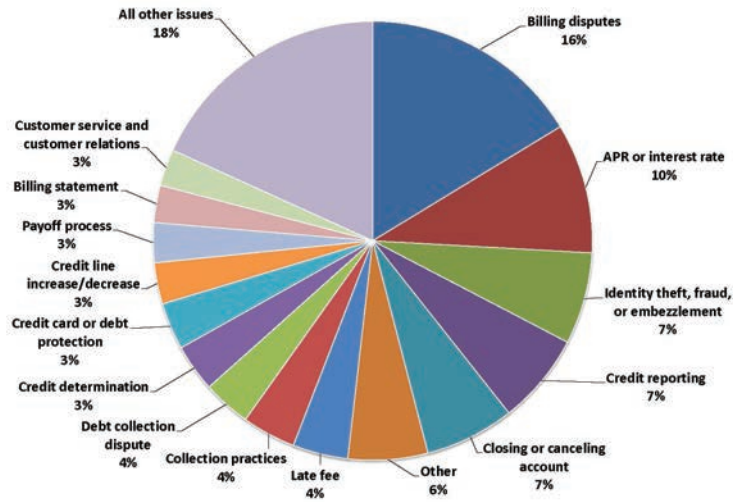
Complaints by Company

The CFPB has authority to regulate and investigate any institution that offers a consumer financial product or service, including credit card companies.¹⁹ The CFPB database enables consumers to compare the number of complaints filed against credit card issuers—providing a window into consumers' level of overall satisfaction with credit card services.

Total Complaints

Figure 4 (next page) ranks the 10 most complained-about companies by absolute number of complaints. The credit card issuer receiving the most complaints was Capital One, which received just over a fifth of all complaints filed with the CFPB. Citibank, Bank of America, JPMorgan Chase and GE Capital Retail—the financial, banking, and credit card division of multi-sector corporation General Electric, which offers credit cards under the brands of retail stores like Walmart and other businesses—rounded out the top five for total number of complaints.²⁰

Figure 3. Breakdown of Complaints by Issue¹⁸



When complaints are normalized by purchase volume for the largest card issuers, GE Capital Retail had the highest number of complaints per billion dollars in purchase volume. (See Table 1.)

The top 10 companies by overall number of complaints received about 93 percent of all consumer complaints filed with the CFPB.

As noted above, GE Capital Retail had the most complaints per billion dollars of purchase volume among the 10 most complained-about companies, followed by Capital One. Amex—the company with the highest overall purchase volume—is the least complained-about company by complaints-to-purchases ratio.²¹

Figure 4. Top Ten Companies by Total Number of Complaints

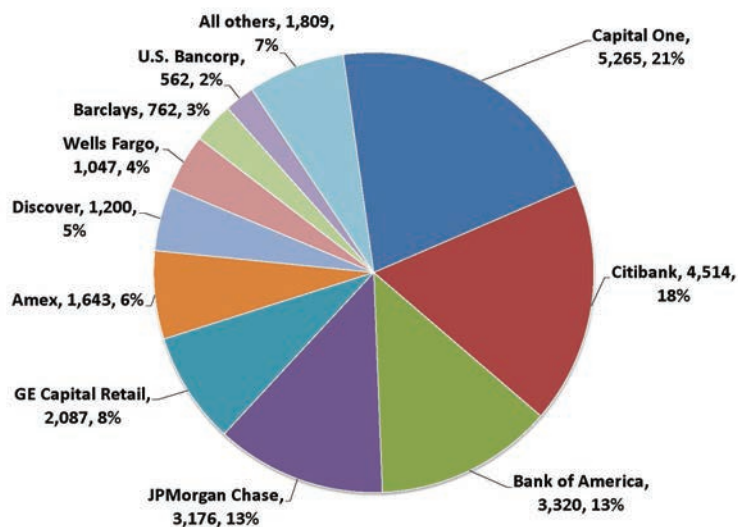


Table 1. Top Ten Companies by Complaints per Billion Dollars in Purchase Volume²²

Rank	Company	Complaints	Purchase Volume (Billions of Dollars)	Complaints per Billion Dollars in Purchase Volume
1	GE Capital Retail	2,087	\$23.7	88.1
2	Capital One	5,265	\$115.6	45.5
3	Barclays	762	\$30.5	25.0
4	Citibank	4,514	\$194.7	23.2
5	Wells Fargo	1,047	\$56.2	18.6
6	Bank of America	3,320	\$248.6	13.4
7	Discover	1,200	\$100.1	12.0
8	JPMorgan Chase	3,176	\$370.8	8.6
9	U.S. Bancorp	562	\$82.5	6.8
10	Amex	1,643	\$519.5	3.2

Responses to Complaints

The CFPB tracks how companies respond to complaints by consumers, and whether consumers disputed the companies' responses.

About 7,400 consumers—29 percent of those who complained—received monetary relief from a credit card company through the CFPB complaints process. The median amount of monetary relief for consumers with credit card complaints through mid-2013 was \$128.²³ An additional 10 percent of all complaints were closed with non-monetary relief—for example, modifying collection proceedings or providing assistance with documentation. Since June 2012, when the CFPB began tracking non-monetary relief as a separate category, about 2,400 consumers have had their complaints resolved with some form of non-monetary relief. (See Figure 5, next page.)

Companies responded to most of the

remaining complaints to the CFPB regarding credit cards (60 percent) with an explanation to the consumer.

Credit card companies vary greatly in the degree to which they extend monetary relief to customers who complain. Of the 10 companies with the most overall complaints, GE Capital Retail (40 percent of 2,087 complaints) and Discover (36 percent of 1,200 complaints) were the most likely to extend monetary relief.²⁵ Amex responded with monetary relief to about 20 percent of its customers' complaints.

There is significant variation in the ways companies respond to consumer complaints about different issues with credit cards. Problems with billing disputes resulted in monetary relief to the consumer in more than 40 percent of cases (see Figure 6, next page), while only 12 percent of complaints about credit reporting resulted in monetary relief.

Figure 5. Responses to Consumer Complaints to the CFPB about Credit Cards²⁴

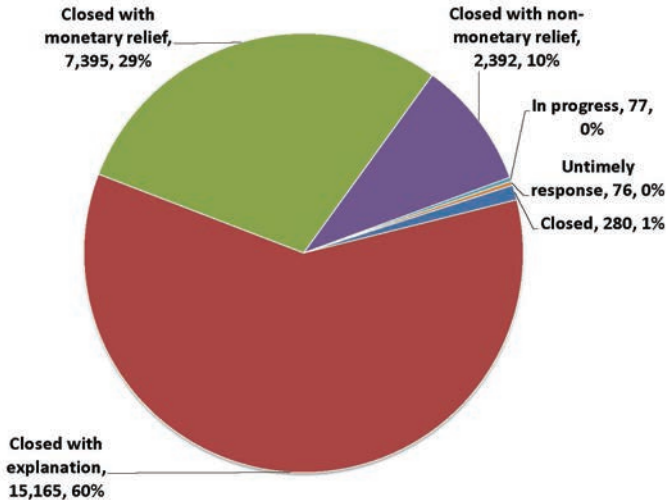
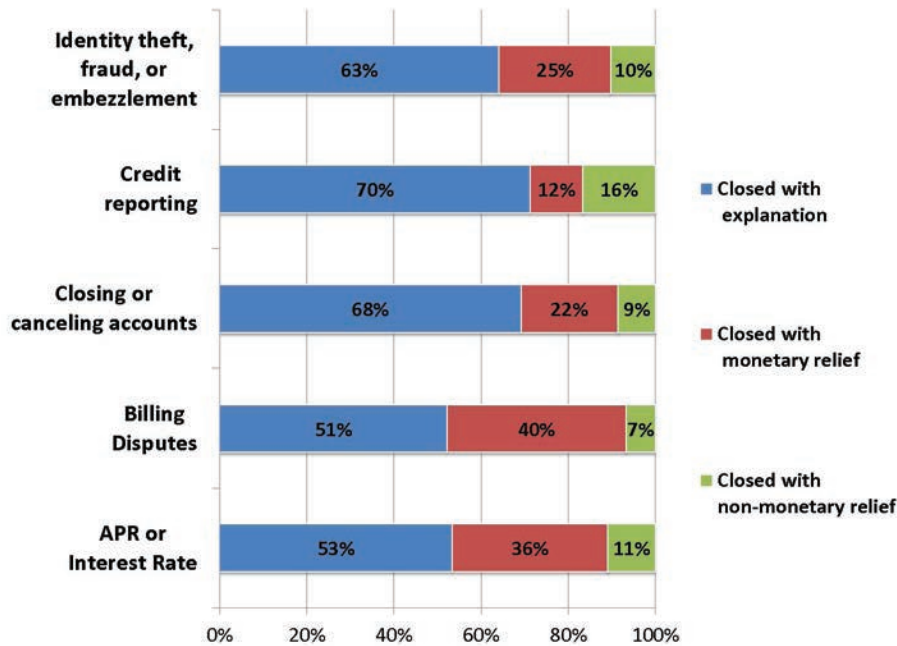


Table 2. Companies by Percentage of Complaints Granted Monetary Relief²⁶

Rank	Company	Complaints	Percent Granted Monetary Relief
1	GE Capital Retail	2,087	39.7%
2	Discover	1,200	36.0%
3	Barclays	762	33.7%
4	Citibank	4,514	32.4%
5	JPMorgan Chase	3,176	32.2%
6	Capital One	5,265	29.5%
7	Wells Fargo	1,047	27.9%
8	U.S. Bancorp	562	24.0%
9	Bank of America	3,320	21.0%
10	Amex	1,643	20.0%

Figure 6. Variations in Company Response by Issue²⁷



Complaints by Issue

The most complained-about credit card companies overall also tended to be those who received the largest number of complaints about each of the individual credit card issues addressed by the CFPB.

Capital One was the most complained-about credit card company in 22 categories, including billing disputes, the

issue with the largest number of complaints; Capital One and JPMorgan Chase had the same number of complaints about cash advances. Citibank was the most complained-about company in seven categories, while JPMorgan Chase was the most complained-about in two. Bank of America had the most complaints regarding rewards programs.

Table 3. Most Complained-about Company by Issue²⁸

Issue	Company	Number of Complaints
Advertising and marketing	Citibank	129
Application processing delay	Citibank	33
APR or interest rate	JPMorgan Chase	563
Arbitration	Capital One	16
Balance transfer	Capital One	67
Balance transfer fee	Citibank	12
Bankruptcy	Capital One	35
Billing disputes	Capital One	826
Billing statement	Citibank	165
Cash advance	Capital One/JPMorgan Chase	14
Cash advance fee	Citibank	18
Closing/canceling account	Capital One	356
Collection debt dispute	Capital One	219
Collection practices	Capital One	254
Convenience checks	JPMorgan Chase	13
Credit card protection /debt protection	Capital One	235
Credit determination	Citibank	182
Credit line increase/decrease	Capital One	153
Credit reporting	Capital One	438
Customer service /customer relations	Capital One	125
Delinquent account	Capital One	107
Forbearance/workout plans	Citibank	53
Identity theft /fraud/embezzlement	Capital One	409
Late fee	Capital One	207
Other	Capital One	300
Other fee	Capital One	146
Overlimit fee	Capital One	30
Payoff process	Capital One	152
Privacy	Capital One	34
Rewards	Bank of America	120
Sale of account	Capital One	18
Transaction issue	Capital One	104
Unsolicited issuance of credit card	Capital One	54

Disputed Responses

In about one out of every five cases, a consumer is sufficiently dissatisfied with his or her credit card company's response to the complaint that he or she disputes it via the CFPB. The companies with the most consumer-disputed responses were Capital One with 1,044 disputes, Citibank with 954 disputes and Bank of America with 712 disputes. These three credit card

companies also had the highest number of complaints overall.

Roughly 26 percent of consumers who complained about Amex disputed the company's response to their complaint—the highest ratio of disputed responses among the 10 companies with the most overall complaints. GE Capital Retail had the lowest percentage of responses disputed among the 10 most complained-about firms. (See Table 4.)

Table 4. Company by Highest Dispute-to-Complaint Ratio²⁹

Rank	Company	Disputed Complaints	Percentage of Overall Complaints Disputed
1	Amex	426	25.9%
2	U.S. Bancorp	129	23.0%
3	Bank of America	712	21.4%
4	Citibank	954	21.1%
5	Barclays	158	20.7%
6	JPMorgan Chase	634	20.0%
7	Wells Fargo	208	19.9%
8	Capital One	1,044	19.8%
9	Discover	213	17.8%
10	GE Capital Retail	283	13.6%

While GE Capital Retail had a small percentage of its responses subject to dispute, the large number of complaints filed about the company led GE Capital Retail to have the highest ratio of disputed complaints per billion dollars

in purchase volume among the 10 most complained-about banks, while Capital One and Barclays were second and third. American Express had the fewest disputes when normalized for purchase volume (See Table 5, next page.)

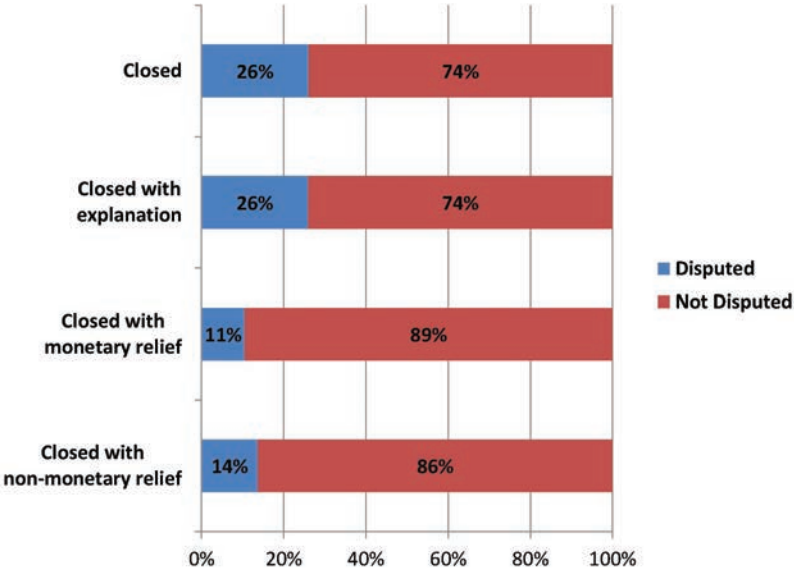
Table 5. Company by Disputes-to-Purchases Ratio³⁰

Rank	Company	Disputed Complaints	2012 Purchase Volume, Billions of Dollars	Disputes per Billion in Purchase Volume
1	GE Capital Retail	283	\$23.7	11.0
2	Capital One	1,044	\$115.6	9.0
3	Barclays	158	\$30.5	5.2
4	Citibank	954	\$194.7	4.9
5	Wells Fargo	208	\$56.2	3.7
6	Bank of America	712	\$248.6	2.9
7	Discover	213	\$100.1	2.1
8	JPMorgan Chase	634	\$370.8	1.7
9	U.S. Bancorp	129	\$82.5	1.6
10	Amex	426	\$519.5	0.8

Consumers disputed fewer responses from credit card companies that involved monetary relief than other responses. About one in 10 consumers who were offered monetary relief disputed the

company’s response to their complaint, compared with more than a quarter of consumers whose complaints were closed with only an explanation from the company. (See Figure 7.)

Figure 7. Percentage of Responses Disputed by Type of Response



Complaints by State

The number of complaints about credit card companies varies significantly from state to state, even when adjusted for the number of residents living in each state.

The most populous states tended to generate the greatest number of total complaints. The states from which the most complaints were filed were California with 3,329, New York with 2,422, Florida with 2,114, Texas with 1,486, and New Jersey with 1,022. (See Figure 8.)

Residents of Northeastern states are

most likely to complain about their credit cards, while consumers in the Midwest and South are least likely. The states with the greatest number of complaints per capita were the District of Columbia, Delaware, Maryland, New York, New Jersey, Florida, Connecticut, Massachusetts, Virginia and Maine, all with between 10 and 25 complaints per 100,000 residents. The states with the fewest complaints per capita are North Dakota, Kentucky, and Mississippi, all with fewer than four complaints per 100,000 residents. (See Figure 9, next page).

Figure 8. Total Credit Card Complaints by State

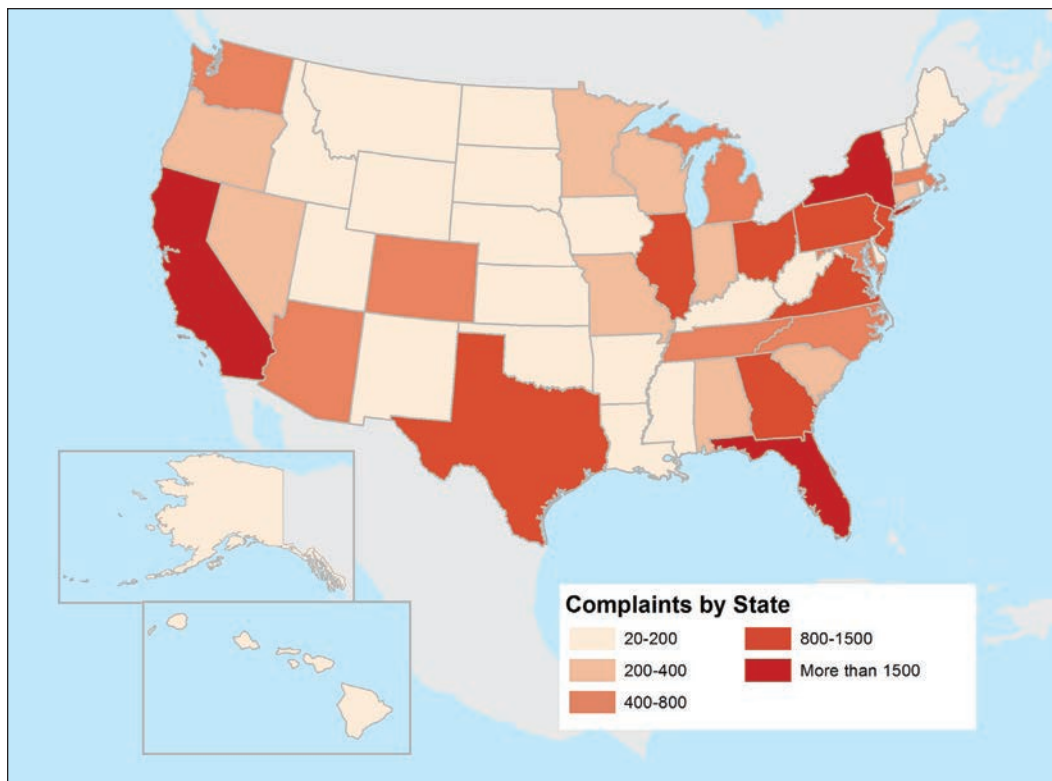
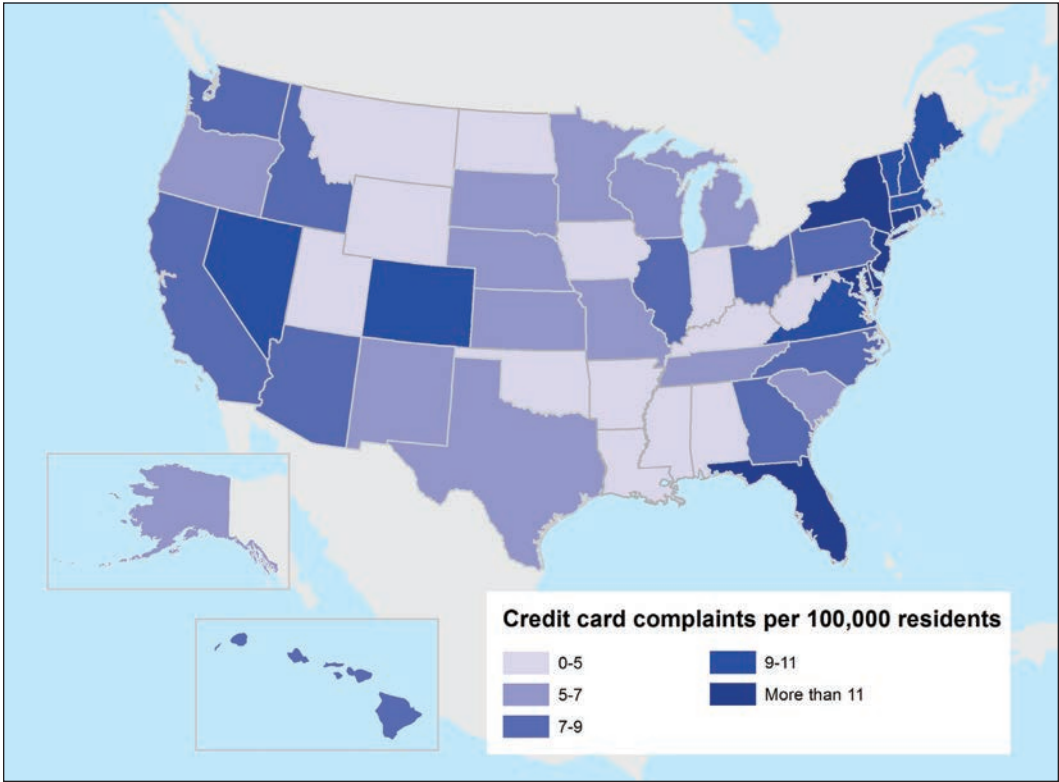


Figure 9. Credit Card Complaints per 100,000 Residents



Most Complained-about Credit Card Companies by State

Capital One was the most complained-about credit card company in 43 states, while Citibank was the most complained-about company in six states and the District of Columbia. Bank of America was the most complained-about company in Alaska.

Trends in Complaints over Time

The 2009 Credit CARD Act clamped down on many of the most abusive credit card practices and took steps to safeguard consumers in the marketplace. Yet, an average of 1,208 consumers per month have continued to complain about problems with their credit cards since the CFPB first began recording complaints in November 2011. Since the peak of 1,700 complaints in June 2012, the level of consumer complaints about credit cards has been gradually declining, and has averaged about 1,090 complaints per month during the first part of 2013. (See Figure 11.)

Figure 10. Capital One Is the Most-Complained-about Company in 43 States

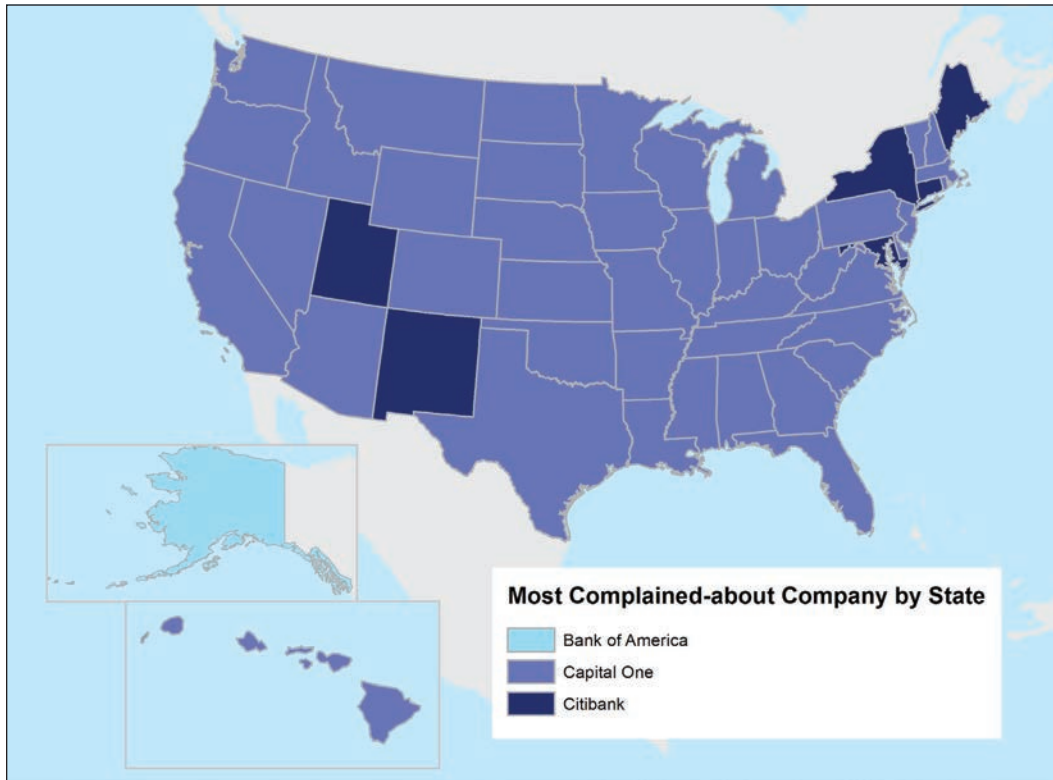
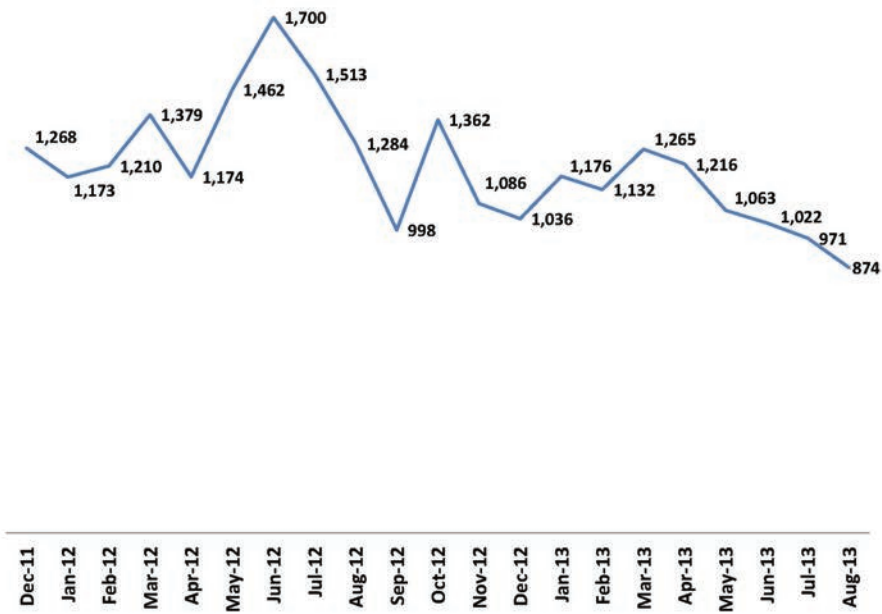


Figure 11. Consumer Complaints about Credit Cards over Time



Conclusions and Recommendations

The Consumer Financial Protection Bureau's Consumer Complaint Database provides a rich source of information about the issues facing consumers in the financial marketplace. An analysis of the Consumer Complaint Database for complaints about credit cards reveals that:

- More than 25,000 complaints—an average of more than 1,200 complaints per month—have been processed by the CFPB regarding credit cards. Ten U.S. companies account for about 93 percent of all consumer credit card complaints.
- Billing disputes are the source of the greatest number of complaints about credit cards, followed by problems with APR and interest rates.
- The CFPB helped more than 7,300 consumers receive monetary relief from credit card companies, while credit card companies responded to about 2,400 consumers with offers of non-monetary relief.

- Consumers dispute about one out of every five company responses to their credit card complaints.

The Consumer Complaint Database is an essential tool in the effort to protect consumers from deceptive and abusive practices in the financial marketplace.

To improve the quality of the Consumer Complaint Database and make it more user-friendly, the CFPB should:

- Add more detailed information to the database, such as actual complaint narratives, detailed complaint categories and subcategories, complaint resolution details, consumer dispute details, and data regarding membership in classes protected from discrimination by law. Expansion of complaint-level details should include more information about amounts and types of monetary and non-monetary relief. Software and other techniques should be used to protect consumer privacy by giving consumers the right not to provide details and by taking

steps to prevent the release of personally-identifiable information or the re-identification of consumers. It is critical that the bureau achieve the disclosure of more individual complaint details while simultaneously making every reasonable effort to protect personal data.

- Add features such as clear definitions of terms and instructions.
- Provide regular trend analyses and monthly detailed reports on complaint resolutions and disputes.
- Simplify the interfaces that allow users to summarize complaint database reports in graphical and printable formats.
- Publicize information about the CFPB complaints process in forums that are likely to be seen by credit card users. The agency should develop more outreach mechanisms for consumer education about the database and its services for consumers, including through the creation of educational materials to be distributed on- and off-line, through more events outside Washington, D.C., and through non-profit organizations.
- Develop free applications (apps) for consumers to download to smartphones allowing them to complain about a firm and providing information about how to review complaints in the database.

To improve the effectiveness of the CFPB, the agency should:

- Expand the Consumer Complaint Database to include discrete complaint categories for credit products such as auto title loans and prepaid cards. We commend the CFPB for

adding payday loan complaints to the database in November.

- Continue to use the information gathered from the Consumer Complaint Database, from supervisory and examination findings, and from other sources to require a high, uniform level of consumer protection, to protect consumers, and to ensure that responsible industry players can better compete with those who are using harmful practices.
- Move quickly to implement strong rules, based on consumer complaints and findings from recent reports, to protect consumers from unfair overdraft practices and high-cost direct-deposit advance bank loans and payday loans. The bureau should also move quickly to complete the mandatory arbitration studies required before it can ban or regulate the use of pre-dispute mandatory arbitration in consumer financial contracts.
- Continue monitoring the effectiveness of the Credit CARD Act in reducing the incidence of punitive interest rate increases and unfair fees, ensuring that customers charged punitive interest rates have the terms of their accounts reviewed periodically, and forcing firms to use rational criteria for determining when a bill is due and when it is paid late. As CFPB Director Richard Cordray pointed out at an October 2013 hearing in Chicago, “[The Credit CARD Act has resulted in] a shift from hidden back-end pricing toward more transparent front-end pricing that consumers can understand and evaluate more easily.”
- Continue to police the credit card marketplace aggressively, including by scrutinizing high-cost identity

theft, credit score monitoring, and credit life insurance and debt cancellation products, among others. The CFPB's recovery of nearly \$800 million from four credit card companies for deceptive practices—primarily for consumers victimized by deceptive marketing of credit card add-on products—is an example of the benefits such scrutiny can bring for consumers.

- Address card issues not solved by the Credit CARD Act, including the continuing problems caused by high-cost, low-balance “fee harvester” credit cards targeted at previously bankrupt or risky consumers. The CFPB

should also monitor the continued use of unfair balance calculation methods resulting in unfair “trailing” or “residual” interest charges imposed on amounts already paid off.

- Protect students by extending the Credit CARD Act's provisions requiring university-branded credit card contracts to also include disclosure of any contracts for student loan disbursement debit cards, student ID cards, and other co-branded debit or prepaid cards on campus. This would protect students whose colleges are outsourcing the disbursement of student aid to financial firms or are allowing banks to brand student ID or debit cards.³¹

Methodology

The Consumer Complaint Database

The Consumer Financial Protection Bureau (CFPB) maintains a database of complaints submitted by customers about banks and other financial institutions. The database is available for download online at www.consumerfinance.gov/complaintdatabase. Our analysis of the credit cards sector focuses on the distribution of complaints by state, by company, by “service” (equivalent to the “product” field in the CFPB database), and by “issue” (equivalent to the “sub-product” field in the CFPB database). It includes complaints posted to the database through September 10, 2013.

Credit card purchase volume data were sourced from Statista’s compilation

of 2012 Nilson Report numbers, available online at www.statista.com/statistics/245507/top-credit-card-issuers-in-the-united-states-by-purchase-volume.

Normalizing Complaints by State Population

2010 U.S. Census data were taken from the U.S. Census Bureau, apportionment data for 2010, available at [www.census.gov/population/apportionment/files/Apportionment%20Population%202010.pdf](http://www.census.gov/population/apportionment/files/Appportionment%20Population%202010.pdf). We then divided the number of consumer complaints against individual state populations to normalize for state population size.

Appendix A: Detailed Data Tables for Complaints Regarding Credit Cards

Table A-1. Credit Card Companies by Total Number of Complaints

Rank	Company	Complaints
1	Capital One	5,265
2	Citibank	4,514
3	Bank of America	3,320
4	JPMorgan Chase	3,176
5	GE Capital Retail	2,087
6	Amex	1,643
7	Discover	1,200
8	Wells Fargo	1,047
9	Barclays	762
10	U.S. Bancorp	562
11	First National Bank of Omaha	212
12	USAA Savings	197
13	PNC Bank	150
14	Fifth Third Bank	132
15	HSBC	128
16	TD Bank	125
17	RBS Citizens	82
18	Regions	74
19	Navy FCU	62
20	SunTrust Bank	62
21	BB&T Financial	40
22	Pentagon FCU	39
23	State Farm Bank	38
24	First Niagara Bank	37
25	Synovus Bank	34

Rank	Company	Complaints
26	BBVA Compass	29
27	BMO Harris	29
28	M&T Bank	24
29	Resurgent Capital Services L.P.	23
30	Commerce Bank	20
31	Sovereign Bank	20
32	Experian	17
33	Banco Popular de Puerto Rico	16
34	Comerica	15
35	Equifax	14
36	UMB Bank	13
37	Bank of the West	12
38	KeyBank NA	9
39	Army and Air Force Exchange Service	8
40	Sterling Jewelers Inc.	8
41	Banco Santander Puerto Rico	6
42	First Citizens	6
43	FirstMerit Bank	6
44	PayPal	6
45	The Huntington National Bank	6

Table A-2. Complaints Per 100,000 Residents by State

Rank	State	Complaints	Complaints per 100,000 residents
1	DC	146	24.3
2	DE	178	19.8
3	MD	793	13.7
4	NY	2,422	12.5
5	NJ	1,022	11.6
6	FL	2,114	11.2
7	CT	396	11.1
8	MA	715	10.9
9	VA	874	10.9
10	ME	137	10.3
11	NH	130	9.8
12	CO	496	9.8
13	NV	258	9.5
14	VT	58	9.2
15	RI	95	9.0
16	CA	3,329	8.9
17	AZ	540	8.4
18	GA	802	8.2
19	OH	910	7.9
20	ID	118	7.5
21	HI	102	7.5
22	WA	496	7.3
23	IL	934	7.3
24	PA	924	7.3
25	NC	694	7.3
26	WI	384	6.7

Rank	State	Complaints	Complaints per 100,000 residents
27	OR	259	6.7
28	SD	53	6.5
29	MN	340	6.4
30	TN	406	6.4
31	AK	44	6.1
32	SC	274	5.9
33	TX	1,486	5.9
34	NM	118	5.7
35	KS	157	5.5
36	MO	326	5.4
37	MI	535	5.4
38	NE	92	5.0
39	UT	138	5.0
40	IA	151	4.9
41	WY	28	4.9
42	OK	183	4.9
43	AL	232	4.8
44	MT	47	4.7
45	WV	82	4.4
46	IN	274	4.2
47	AR	121	4.1
48	LA	183	4.0
49	MS	112	3.8
50	KY	155	3.6
51	ND	20	3.0

Table A-3. Most Complained-about Credit Card Company by State

State	Company
AK	Bank of America
AL	Capital One
AR	Capital One
AZ	Capital One
CA	Capital One
CO	Capital One
CT	Citibank
DC	Citibank
DE	Capital One
FL	Capital One
GA	Capital One
HI	Capital One
IA	Capital One
ID	Capital One
IL	Capital One
IN	Capital One
KS	Capital One
KY	Capital One
LA	Capital One
MA	Capital One
MD	Citibank
ME	Citibank
MI	Capital One
MN	Capital One
MO	Capital One
MS	Capital One

State	Company
MT	Capital One
NC	Capital One
ND	Capital One
NE	Capital One
NH	Capital One
NJ	Capital One
NM	Citibank
NV	Capital One
NY	Citibank
OH	Capital One
OK	Capital One
OR	Capital One
PA	Capital One
RI	Capital One
SC	Capital One
SD	Capital One
TN	Capital One
TX	Capital One
UT	Citibank
VA	Capital One
VT	Capital One
WA	Capital One
WI	Capital One
WV	Capital One
WY	Capital One

Table A-4. Number and Percentage of Overall Complaints by Issue

Rank	Issue	Complaints	Percent of Overall Complaints
1	Billing disputes	4,138	16.3%
2	APR or interest rate	2,431	9.6%
3	Identity theft/fraud/embezzlement	1,719	6.8%
4	Credit reporting	1,701	6.7%
5	Closing/canceling account	1,675	6.6%
6	Other	1,488	5.9%
7	Late fee	1,036	4.1%
8	Collection practices	1,003	4.0%
9	Collection debt dispute	901	3.5%
10	Credit determination	887	3.5%
11	Credit card protection/debt protection	881	3.5%
12	Credit line increase/decrease	769	3.0%
13	Payoff process	747	2.9%
14	Billing statement	695	2.7%
15	Customer service/customer relations	687	2.7%
16	Other fee	662	2.6%
17	Advertising and marketing	632	2.5%
18	Rewards	608	2.4%
19	Transaction issue	581	2.3%
20	Delinquent account	378	1.5%
21	Unsolicited issuance of credit card	323	1.3%
22	Balance transfer	315	1.2%
23	Forbearance/workout plans	237	0.9%
24	Application processing delay	157	0.6%
25	Privacy	122	0.5%
26	Bankruptcy	121	0.5%
27	Cash advance	85	0.3%
28	Arbitration	84	0.3%
29	Overlimit fee	79	0.3%
30	Sale of account	68	0.3%
31	Cash advance fee	65	0.3%
32	Balance transfer fee	64	0.3%
33	Convenience checks	46	0.2%

Table A-5. Company by Number of Complaints by Issue³²

ISSUE	COMPANY										
	Amex	Bank of America	Barclays	Capital One	Citibank	Discover	GE Capital Retail	JPMorgan Chase	U.S. Bancorp	Wells Fargo	SUM
Advertising and marketing	80	55	30	106	129	43	35	88	17	14	597
Application processing delay	17	6	2	27	33	10	21	11	6	6	139
APR or interest rate	71	239	99	425	436	146	171	563	64	95	2,309
Arbitration	8	15	3	16	6	7	2	12	1	5	75
Balance transfer	8	41	9	67	54	20	9	50	10	11	279
Balance transfer fee	1	12	4	4	12	3	0	9	4	8	57
Bankruptcy	8	15	3	35	13	9	4	15	3	6	111
Billing disputes	277	539	111	826	790	187	375	437	99	179	3,820
Billing statement	48	88	16	132	165	22	84	62	10	25	652
Cash advance	7	12	3	14	11	9	4	14	1	5	80
Cash advance fee	1	14	0	11	18	2	1	5	1	6	59
Closing/canceling account	141	299	50	356	284	40	122	188	24	61	1,565
Collection debt dispute	47	134	17	219	155	61	89	87	11	28	848
Collection practices	73	92	13	254	186	66	87	105	18	31	925
Convenience checks	0	12	2	9	6	1	0	13	1	0	44
Credit card protection/debt protection	31	137	16	235	155	71	49	95	13	35	837
Credit determination	59	54	29	147	182	30	116	109	20	52	798
Credit line increase/decrease	95	113	15	153	137	28	53	102	7	27	730
Credit reporting	104	272	44	438	273	60	144	186	29	40	1,590
Customer service/customer relations	51	101	29	125	114	35	51	78	11	25	620
Delinquent account	14	44	4	107	72	26	32	39	7	6	351
Forbearance/workout plans	11	34	5	52	53	13	21	23	3	7	222
Identity theft/fraud/ embezzlement	98	206	60	409	241	91	132	242	43	71	1,593
Late fee	66	95	16	207	215	14	158	63	23	93	950
Other	102	203	52	300	241	89	113	176	34	66	1,376
Other fee	35	127	23	146	127	22	28	49	25	30	612
Overlimit fee	3	6	2	30	11	0	5	10	3	4	74
Payoff process	30	87	17	152	149	32	80	109	20	33	709
Privacy	8	16	5	34	14	10	9	20	2	0	118
Rewards	90	120	37	53	98	18	10	103	23	11	563
Sale of account	2	15	5	18	6	1	3	5	2	2	59
Transaction issue	48	85	25	104	75	22	47	72	18	32	528
Unsolicited issuance of credit card	9	32	16	54	53	12	32	36	9	33	286
GRAND TOTAL	1,643	3,320	762	5,265	4,514	1,200	2,087	3,176	562	1,047	23,576

Table A-6. Company by Percentage of Complaints by Issue³³

ISSUE	COMPANY									
	Amex	Bank of America	Barclays	Capital One	Citibank	Discover	GE Capital Retail	JPMorgan Chase	U.S. Bancorp	Wells Fargo
Advertising and marketing	4.9%	1.7%	3.9%	2.0%	2.9%	3.6%	1.7%	2.8%	3.0%	1.3%
Application processing delay	1.0%	0.2%	0.3%	0.5%	0.7%	0.8%	1.0%	0.3%	1.1%	0.6%
APR or interest rate	4.3%	7.2%	13.0%	8.1%	9.7%	12.2%	8.2%	17.7%	11.4%	9.1%
Arbitration	0.5%	0.5%	0.4%	0.3%	0.1%	0.6%	0.1%	0.4%	0.2%	0.5%
Balance transfer	0.5%	1.2%	1.2%	1.3%	1.2%	1.7%	0.4%	1.6%	1.8%	1.1%
Balance transfer fee	0.1%	0.4%	0.5%	0.1%	0.3%	0.3%	0.2%	0.3%	0.7%	0.8%
Bankruptcy	0.5%	0.5%	0.4%	0.7%	0.3%	0.8%	0.0%	0.5%	0.5%	0.6%
Billing disputes	16.9%	16.2%	14.6%	15.7%	17.5%	15.6%	18.0%	13.8%	17.6%	17.1%
Billing statement	2.9%	2.7%	2.1%	2.5%	3.7%	1.8%	4.0%	2.0%	1.8%	2.4%
Cash advance	0.4%	0.4%	0.4%	0.3%	0.2%	0.8%	0.2%	0.4%	0.2%	0.5%
Cash advance fee	0.1%	0.4%	0.0%	0.2%	0.4%	0.2%	0.0%	0.2%	0.2%	0.6%
Closing/canceling account	8.6%	9.0%	6.6%	6.8%	6.3%	3.3%	5.8%	5.9%	4.3%	5.8%
Collection debt dispute	2.9%	4.0%	2.2%	4.2%	3.4%	5.1%	4.3%	2.7%	2.0%	2.7%
Collection practices	4.4%	2.8%	1.7%	4.8%	4.1%	5.5%	4.2%	3.3%	3.2%	3.0%
Convenience checks	0.0%	0.4%	0.3%	0.2%	0.1%	0.1%	0.0%	0.4%	0.2%	0.0%
Credit card protection /debt protection	1.9%	4.1%	2.1%	4.5%	3.4%	5.9%	2.3%	3.0%	2.3%	3.3%
Credit determination	3.6%	1.6%	3.8%	2.8%	4.0%	2.5%	5.6%	3.4%	3.6%	5.0%
Credit line increase/decrease	5.8%	3.4%	2.0%	2.9%	3.0%	2.3%	2.5%	3.2%	1.2%	2.6%
Credit reporting	6.3%	8.2%	5.8%	8.3%	6.0%	5.0%	6.9%	5.9%	5.2%	3.8%
Customer service /customer relations	3.1%	3.0%	3.8%	2.4%	2.5%	2.9%	2.4%	2.5%	2.0%	2.4%
Delinquent account	0.9%	1.3%	0.5%	2.0%	1.6%	2.2%	1.5%	1.2%	1.2%	0.6%
Forbearance/workout plans	0.7%	1.0%	0.7%	1.0%	1.2%	1.1%	1.0%	0.7%	0.5%	0.7%
Identity theft/fraud /embezzlement	6.0%	6.2%	7.9%	7.8%	5.3%	7.6%	6.3%	7.6%	7.7%	6.8%
Late fee	4.0%	2.9%	2.1%	3.9%	4.8%	1.2%	7.6%	2.0%	4.1%	8.9%
Other	6.2%	6.1%	6.8%	5.7%	5.3%	7.4%	5.4%	5.5%	6.0%	6.3%
Other fee	2.1%	3.8%	3.0%	2.8%	2.8%	1.8%	1.3%	1.5%	4.4%	2.9%
Overlimit fee	0.2%	0.2%	0.3%	0.6%	0.2%	0.0%	0.2%	0.3%	0.5%	0.4%
Payoff process	1.8%	2.6%	2.2%	2.9%	3.3%	2.7%	3.8%	3.4%	3.6%	3.2%
Privacy	0.5%	0.5%	0.7%	0.6%	0.3%	0.8%	0.4%	0.6%	0.4%	0.0%
Rewards	5.5%	3.6%	4.9%	1.0%	2.2%	1.5%	0.5%	3.2%	4.1%	1.1%
Sale of account	0.1%	0.5%	0.7%	0.3%	0.1%	0.1%	0.1%	0.2%	0.4%	0.2%
Transaction issue	2.9%	2.6%	3.3%	2.0%	1.7%	1.8%	2.3%	2.3%	3.2%	3.1%
Unsolicited issuance of credit card	0.5%	1.0%	2.1%	1.0%	1.2%	1.0%	1.5%	1.1%	1.6%	3.2%

Appendix B: Searchable Public Databases of Complaints to Government Agencies

The CFPB's searchable complaint database is the newest of a set of federal government complaint databases that help consumers make better economic and safety choices by reviewing others' experiences and searching for problems or product recalls. This transparency also helps firms improve their products and services. Here is information on how to contact the CFPB and some of the other public databases maintained by government agencies. U.S. PIRG Education Fund visited each of the other databases and a quick overview of their contents and ease of use is below. A more detailed review can be found at www.uspirgedfund.org/issues/usf/consumer-tips.

CFPB's Searchable Financial Services Complaint Database: The CFPB Consumer Complaint Database discloses data associated with financial institutions and their practices to help provide consumers with recent and comprehensive information to make responsible decisions

concerning their finances and to enhance the market's ability to operate efficiently and transparently. The CFPB provides public access to an electronic database that contains individual fields for each unique complaint. In short, this allows consumer complaints to be easily accessible in a data-rich form. The CFPB's goal is to improve the transparency and efficiency of the monetary market and further empower the American consumer.

The database can be viewed at: www.consumerfinance.gov/complaintdatabase.

Consumers may submit complaints to the CFPB at www.consumerfinance.gov/complaint.

Consumer complaints can also be made by phone (855) 411-2372, fax (855) 237-2392, postal mail (1700 G Street, NW Washington, D.C. 20552), and/or e-mail (info@consumerfinance.gov).

Safecar.gov: The National Highway Traffic Safety Administration (NHTSA), according to its website, was established in

1970 to direct highway safety and consumer programs.³⁴ Safercar.gov, established online in 1994, allows consumers to identify and report problems or file a complaint about their vehicle, tires, equipment or car seats by phone, by filling out a PDF for email, or electronically on the agency's website. All information to file a complaint or search the database can be found on the website's home page, www.safercar.gov. Logging onto the website, consumers can quickly and easily navigate to see other complaints (www.odi.nhtsa.dot.gov/owners/SearchComplaints) as well as find the link to file their own complaint and access investigations, complaints or recall reports (www.odi.nhtsa.dot.gov/owners/SearchVehicles). The database can also be exported (downloaded) for further analysis at www.odi.nhtsa.dot.gov/downloads.

U.S. PIRG Education Fund's Overall Review for Safercar.gov: This user website is generally easy to navigate and accessible for the average consumer. The homepage clearly gives the consumer specific tabs on the homepage labeled "vehicle shoppers," "vehicle owners," "vehicle manufacturers" and "parents central" for general navigation. Also included on the homepage are direct links (on the right side of the page by the scroll bar) to file a complaint, search for recalls and previous complaints, and get help with a car seat. The actual process of filing a complaint is straightforward and is broken down in such a way that is not time consuming.

Saferproducts.gov: The United States Consumer Product Safety Commission (CPSC), created in 1972 through the Consumer Product Safety Act, is an independent agency of the United States government. It has authority to investigate and recall 15,000 different types of consumer products ranging from toasters and dishwashers to bicycles, clothing, cribs and children's toys. In 2008 the Consumer Product Safety

Improvement Act was passed; the new law established authority for a searchable public consumer products database that went live in 2011.

The main page for the website is: www.saferproducts.gov. Complaints may be filed at: www.saferproducts.gov/CPSRMSPublic/Incidents/ReportIncident.aspx. At the main page (www.saferproducts.gov/Search/default.aspx) consumers and researchers can view incident reports or recalls or both, by category, or can export the database for additional analysis.

U.S. PIRG Education Fund's Overall Review for Saferproducts.gov: When searching recalls on saferproducts.gov, consumers are easily able to search directly for what they're looking for. The website is broken down into easily identifiable sections; whether the consumer is seeking to file a report or review reports and recalls, the site offers links to each popular section on the homepage for consumers. Although the actual database of consumer reports and recalls is somewhat difficult to download, understand and read, the average consumer isn't looking for details on specific products through use of the full database. The average consumer will instead use the easy to use online search engine, which includes photos and icons for complaint categories, and specific tabs and links to navigate to the pages of the site they wish to view.

Air Travel Consumer Report: The United States Department of Transportation (DOT), established by act of Congress in 1966, supervises vital means of transportation throughout the U.S., including travel by air.³⁵ The Air Travel Consumer Report is a monthly product of the Department of Transportation's Office of Aviation Enforcement and Proceedings (OAEP). The report is designed to assist consumers with information on the quality of services provided by the airlines.

The home page for the U.S. DOT is www.dot.gov. The link for filing complaints is: www.dot.gov/airconsumer/file-consumer-complaint. The link for reviewing monthly reports is www.dot.gov/airconsumer/air-travel-consumer-reports. The DOT maintains a fact sheet of air travel tips for consumers available here: www.dot.gov/airconsumer/air-travel-tips.

U.S. PIRG Education Fund's Overall Review for U.S. DOT: Air travel complaint reports are issued monthly. Unlike the other databases, which can be searched and downloaded, the DOT air travel database is summarized into monthly reports in PDF format. It includes information on air travel problems including on-time arrivals, lost luggage disputes and bumping complaints. U.S. PIRG Education Fund has on several occasions urged the DOT to make these data more user-friendly to consumers and researchers. The DOT does maintain other pages of downloadable information, but not for air travel complaints.

MyEdDebt.com: The U.S. Department of Education, at the urging of the National Consumer Law Center, has recently improved the borrower complaint process by allowing access to a centralized complaint system.³⁶ This has been a crucial step forward for defaulted borrowers who previously could not find the complaints section when visiting the federal student aid website, and were not given specific guidance with the most common concerns.

U.S. PIRG Education Fund's Overall Suggestions: Using the CFPB's complaints database as a model, we recommend that the Department of Education also create a searchable database to track all federal borrower complaints, outside of those for which the borrower is in default. Additionally, the department should make aggregated complaint data public. Tracking the data will help borrowers and advocates, but most importantly could be used by the agency to drive oversight and compliance actions.

Endnotes

- 1 Nerdwallet.com, *American Household Credit Card Debt Statistics: 2013*, accessed 8 November 2013 at www.nerdwallet.com/blog/credit-card-data/average-credit-card-debt-household. Note that the median credit card debt is much lower; a minority of very highly-indebted households raise the average dramatically.
- 2 Sam Zuckerman, “How Providian Misled Card Holders,” *San Francisco Chronicle*, 5 May 2002.
- 3 Ibid.
- 4 Consumer Financial Protection Bureau, *CARD Act Report: A Review of the Impact of the CARD Act on the Consumer Credit Card Market*, 1 October 2013.
- 5 Alexandra Alper, “Insight: Little Comfort Seen in Credit Protection,” *Reuters*, 16 November 2011.
- 6 Ed Mierzwinski, “More Credit Card Banks Quit Evil Ways” (blog), *U.S. PIRG*, 22 August 2012.
- 7 Consumer Financial Protection Bureau, *The CFPB Takes Action Against Mortgage Insurers to End Kickbacks to Lenders* (press release), 4 April 2013.
- 8 Consumer Financial Protection Bureau, *Analysis of Differences between Consumer- and Creditor-Purchased Credit Scores*, September 2012.
- 9 (1) Consumer Financial Protection Bureau, *CFPB Report Highlights Problems in Market Discovered Through Supervisory Actions* (press release), 31 October 2012. (2) The credit card companies penalized are Capital One (\$140 million in consumer refunds; \$25 million in penalties ordered by the CFPB, July 2012); Discover Card and Discover Bank (\$200 million in refunds; \$14 million in penalties ordered by the CFPB and FDIC, September 2012); American Express and related companies (\$85 million in refunds; \$14 million in penalties ordered by the CFPB and \$13 million in penalties ordered by other regulators, October 2012); and JP Morgan Chase Bank (\$309 million in refunds; \$20 million in penalties ordered by the CFPB and \$60 million in penalties ordered by the OCC, September 2013). Sources: Consumer Financial Protection Bureau, *CFPB Orders Chase and JPMorgan Chase to Pay \$309 Million Refund for Illegal Credit Card Practices* (press release), 19 September 2013; Consumer Financial Protection Bureau, *CFPB Probe into Capital One Credit Card Marketing Results in \$140 Million Consumer Refund* (press release), 18 July 2012; Consumer Financial Protection Bureau, *Federal Deposit Insurance Corporation and Consumer Financial Protection Bureau Order Discover to Pay \$200 Million Consumer Refund for Deceptive Marketing* (press release), 24 September 2012; Consumer Financial Protection Bureau, *CFPB Orders American Express to Pay \$85 Million Refund to Consumers Harmed by Illegal Credit Card Practices* (press release), 1 October 2012.
- 10 Consumer Financial Protection Bureau, *About Us*, accessed at www.consumerfinance.gov/the-bureau, 23 July 2013.
- 11 Ibid.

- 12 Ibid.
- 13 Consumer Financial Protection Bureau, *Consumer Response: A Snapshot of Complaints Received*, March 2013.
- 14 Ibid.; Consumer Financial Protection Bureau, *Submit a Complaint*, accessed at www.consumerfinance.gov/complaint, 23 July 2013
- 15 Consumer Financial Protection Bureau, *New Ways to Combat Harmful Debt Collection Practices*, 10 July 2013.
- 16 Complaints are excluded from the database that are duplicative or that name the wrong company. Complaints are added to the database once a company has responded or after the complaint has been held by the company without response for 15 days. Source: Consumer Financial Protection Bureau, *Consumer Complaint Database: Technical Documentation*, accessed at www.consumerfinance.gov/complaintdatabase/technical-documentation, 31 July 2013.
- 17 As of 29 December 2013.
- 18 Includes only the 15 issues with the highest overall number of complaints. Other categories are grouped here under “All other issues,” which includes complaints about credit card rewards programs, cash advance fees and fees for exceeding the specified credit limit. The “Other” category includes complaints that do not fit into any existing CFPB category. For a complete list of issues by percentage and number of complaints, see Appendix A.
- 19 Gibson Dunn, *The Consumer Financial Protection Bureau: Its Foundation, Authorities, and First Year of Enforcement*, 5 June 2013.
- 20 On 10 December 2013, GE Capital Retail became the fifth credit card company fined by the CFPB for unfair practices. Source: Consumer Financial Protection Bureau, *CFPB Orders GE CareCredit to Refund \$34.1 Million for Deceptive Health-Care Credit Card Enrollment* (press release), 10 December 2013.
- 21 This analysis normalizes for purchase volume, or the dollar amount of purchases on that company’s cards. It is an imperfect measurement of the number of purchases made, since the dollar amount per purchase may vary depending on the relative wealth and spending habits of the company’s client base.
- 22 Statista.com, “Top credit card issuers in the United States, by purchase volume (in billion U.S. dollars),” accessed 31 December 2013 from <http://www.statista.com/statistics/245507/top-credit-card-issuers-in-the-united-states-by-purchase-volume>.
- 23 Consumer Financial Protection Bureau, *Consumer Response: A Snapshot of Complaints Received*, July 2013.
- 24 The CFPB changed the way it categorized resolutions in mid-2012 to provide greater detail. Previously, the CFPB had characterized resolutions as “closed with relief” or “closed without relief,” with “relief” defined as equivalent to “monetary relief.” To account for the frequent practice by firms of offering non-monetary forms of relief, the CFPB changed its categorization to include four categories: “closed with monetary relief,” “closed with non-monetary relief,” “closed without relief,” and “closed.” To capture the full history of CFPB activity, complaints listed in the former “closed with relief” category are included in the “closed with monetary relief” category, while those in the former “closed without relief” category are included in the “closed with explanation” category. The “closed with non-monetary relief” category only includes those since June 2012. Complaints categorized as “closed” are described here as “closed with no relief or explanation” for the sake of clarity. See Consumer Financial Protection Bureau, *Semi-Annual Report of the Consumer Financial Protection Bureau: July 1, 2012—December 31, 2012*, March 2013.
- 25 As measured by percentage of cases granted monetary relief.
- 26 Includes only the 10 companies with the most overall complaints.
- 27 Does not include complaints in progress, closed without explanation or relief, or responded to in an untimely fashion. Only includes the five issues with the most overall complaints.
- 28 See note 26.
- 29 Ibid.
- 30 Ibid.
- 31 In December, the CFPB called for voluntary disclosure of these contracts. See Consumer Financial Protection Bureau, *CFPB Calls on Financial Institutions to Publicly Disclose Campus Financial Agreements* (press release), 17 December 2013.
- 32 See note 26.
- 33 Ibid.
- 34 National Highway Traffic Safety Administration, *NHTSA: People Saving People*, accessed 7 November 2013 at www.safercar.gov/About+NHTSA.
- 35 United States Department of Transportation, *About Us*, accessed 7 November 2013 at www.dot.gov/mission/about-us.
- 36 National Consumer Law Center, *Borrowers on Hold: 2013 Update*, 14 March 2013.