

Partner Lucy Morris comments for American Banker as CFPB seeks to raise cap on credit card late fees

April 14, 2022 |

Consumer Financial Protection Bureau (CFPB) Director Rohit Chopra has pledged to crack down on what he calls "junk fees." Last month, he criticized credit card issuers for collecting \$12 billion in late fees in 2020. According to *American Banker*, bankers now expect the CFPB to reset the maximum allowable amounts for late fees.

Some experts noted that the CFPB often releases a report, a blog post or other guidance ahead of an enforcement action, and they predicted that a flurry of consent orders is coming. "When the CFPB comes out with stuff, usually something follows," said Hudson Cook partner [Lucy Morris](#), a former CFPB deputy enforcement director.

Last week, the Federal Trade Commission (FTC) and the state of Illinois ordered the owner of eight auto dealerships to pay \$10 million for what the agency said involved "sneaking illegal junk fees onto bills and discriminating against Black consumers." FTC Chair Lena Khan and FTC Commissioner Rebecca Kelly Slaughter issued a statement saying they would have gone further and supported the use of the unfairness standard to crack down on alleged discrimination. "It shows you that Khan and Chopra, the CFPB and the FTC, are in sync," on these issues, Lucy noted.

Lucy is a partner in Hudson Cook's Washington, DC office and chairs the firm's [Government Investigations, Examinations and Enforcement Practice Group](#). Lucy counsels financial institutions and others in complying with federal consumer financial laws and prohibitions against unfair, deceptive, or abusive trade practices. She is an experienced advocate and litigator, representing clients in government investigations, examinations, and enforcement actions before federal and state agencies, including the CFPB, FTC, U.S. Department of Justice, and state AG offices. Previously, Lucy served as a founding member of the CFPB Implementation Team that organized the CFPB after passage of the Dodd-Frank Act, and subsequently served as a Deputy Enforcement Director at the Bureau. Before the CFPB, Lucy worked at the FTC for over 20 years in a variety of leadership positions, including as Assistant Director for Financial Practices and as Assistant to the Director of the FTC's Bureau of Consumer Protection.

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