

Partner Lucy Morris quoted in American Banker article on new CFPB policy to terminate consent orders early

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The Consumer Financial Protection Bureau (CFPB) will announce a policy soon in which companies that have entered into settlements with the Bureau can petition to have an order terminated ahead of schedule once terms of the agreement are met, according to an article in *American Banker*. The move is seen as part of a broader effort by CFPB Director Kathy Kraninger to bring more transparency to the Bureau's process.

"There have been some questions about how does this work?" said Lucy Morris, a partner at Hudson Cook and a former CFPB deputy enforcement director. "So Kraninger is now committing to some transparency about what the criteria will be, how the policy works, and what happens if they grant a request."

Lucy also noted that, "It can be a big deal for a company that is reliant on investment capital to have a consent order hanging over their head and have to report to the bureau all the time."

"The bureau has terminated a few consent orders in the past," said Director Kraninger. "We are currently identifying ways to improve this process to promote consistency, and we are also committed to ensuring consent orders remain in effect only as long as needed to achieve their desired effects. The ultimate goal here is to provide clarity and consistency in our policy related to consent orders."

According to the article, it is still unclear what impact a new policy on consent orders would have and whether the CFPB is prepared to field the many requests from companies seeking to terminate past orders.

Lucy is a partner in Hudson Cook's Washington, D.C. 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 Consumer Financial Protection Bureau, Federal Trade Commission, U.S. Department of Justice and state AG offices. Lucy was a panelist at the June CFPB symposium on Abusive Acts or Practices. A video of the symposium can be viewed on the CFPB website.

[Click here](#) to read the full article in *American Banker*.

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