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Event Materials

Visit the **event page** to download a copy of the presentation slides and any additional resources.

Let's Chat!

Select ***All Panelists & Attendees*** from the drop-down when commenting in the chat pod.

Tech Support

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MilFamLN@gmail.com

Event Page:
MilitaryFamiliesLearningNetwork.org/event/101316/

MILITARY FAMILIES LEARNING NETWORK

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1

Increase your family service provision skills with promising practices, resources, and tools to support military families through disaster and hazard cycles, including "blue skies" readiness.

MILITARY FAMILY READINESS ACADEMY

New Courses Available!

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Helping Military Consumers Avoid Scams and Navigate Finances

Photo by Liza Summer from Pexels

Event Materials

Visit the **event page** to download a copy of the presentation slides and any additional resources.

Continuing Education

This webinar has been approved to offer continuing education credit. Please stay tuned for more information!

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Connecting military family service providers and Cooperative Extension professionals to research and to each other through engaging online learning opportunities

https://militaryfamilieslearningnetwork.org

MILITARY FAMILIES LEARNING NETWORK

This material is based upon work supported by the National Institute of Food and Agriculture, U.S. Department of Agriculture, and the Office of Military Family Readiness Policy, U.S. Department of Defense under Award Number 2019-48770-30366.

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Today's Presenters

Carol Kando-Pineda
Counsel
Federal Trade Commission's Division of Consumer and Business Education

Angela Martin
Senior Enforcement Attorney/Military Affairs Liaison
Consumer Financial Protection Bureau

Josh Friedman
Senior Compliance Specialist and Consumer Response Investigator
Office of Servicemember Affairs

Mechel Glass
Program Manager
Office of Servicemember Affairs

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Helping Military Consumers Avoid Scams and Navigate Finances

Carol Kando-Pineda
Federal Trade Commission
MilitaryConsumer.gov

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What we'll cover today

Spotting scams
- Vaccine verification
- Rental car scammers
- Fake check schemes

Signs of a scam
- Ways scammers want you to pay
- What to do if you were scammed
- Reporting the scam
- Identity Theft? What to do

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Vaccine verification scams

Be skeptical of anyone contacting you from the federal government.

No agency will call, email, or text demanding your personal information or money to get a vaccine certificate or passport.

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Rental car scams

Renting a car this summer?
Only scammers will ask you
to pay with a gift card.

#ScamFreeSummer

ReportFraud.ftc.gov

FEDERAL TRADE COMMISSION

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FAKE CHECK SCAMS

Did someone send you a check and
ask you to send some money back?

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Signs of a scam

- Scammers follow the headlines.
- Scammers create urgency and threaten some terrible consequence.
- Pressure you to act now and to pay them immediately.

Federal Trade Commission

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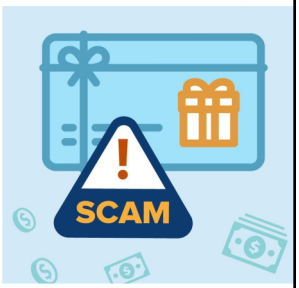
Signs of a scam: Scammers demand you pay these ways

- Asked to pay with a gift card? Don't – gift cards are for gifts, not payment.
- Asked to pay with digital money or cryptocurrency. Think twice.
- Asked to pay by wiring money? Don't – typically you can't get your money back.



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What to do if you were scammed

- Tell the company or bank that issued the credit card or debit card it was a fraudulent charge.
- Tell your bank it was an unauthorized debit or withdrawal.
- Tell the company that issued the gift card it was a scam and ask for a refund.
- Tell the wire transfer company it was a fraudulent transfer and ask them to reverse it and give you your money back.

https://www.consumer.ftc.gov/articles/what-do-if-you-were-scammed

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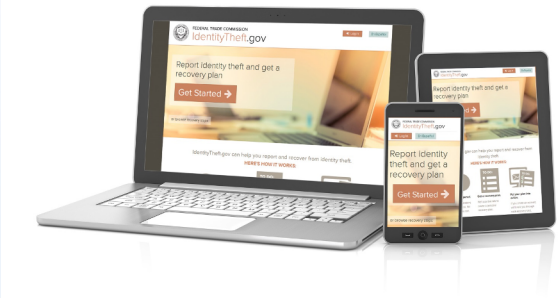
IdentityTheft.gov



- personal recovery plans
- step-by-step advice
- prefilled forms & letters
- free and secure access
- chat & phone support
- Spanish language site

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Stay connected

Get Military Consumer scam alerts

- MilitaryConsumer.gov
  Click on Email Updates

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- Twitter @MilConsumer

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Questions?

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Military Families Learning Network | July 13, 2021

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Note: This document was used in support of a live discussion. As such, it does not necessarily express the entirety of that discussion or the relative emphasis of topics therein.

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Road map

- Office of Enforcement
- Office of Servicemember Affairs (OSA)
  - Mission
  - Consumer complaints
  - Resources and Misadventures in Money Management (MiMM.gov)
- Appendices
  - How to submit a complaint (screenshots)
  - MiMM.gov (screenshots)

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Office of Enforcement

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Bureau Representative

Angela Martin

Senior Enforcement Attorney/Military Affairs Liaison

Office of Enforcement

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Joint Statement of Principles – July 6, 2011

Joint Statement of Principles (dated 7/6/2011):
www.consumerfinance.gov/about-us/blog/the-cfpb-and-jags-partnering-to-protect-servicemembers (posted 7/7/2011)

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Office of Enforcement

www.consumerfinance.gov/enforcement/

Core work

- Auto loans
- Bank accounts and deposit products
- Consumer credit reporting
- Credit cards
- Debt collection
- Debt relief and credit counseling
- Electronic fund transfers
- Fair lending
- General consumer finance
- Mortgage origination
- Mortgage servicing
- Payday lending
- Prepaid cards
- Student loans

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Most common military consumer issues

- Cars
- Credit reporting (security clearances)
- Debt collection
- Fraud and scams
- Payday loans
- Small loans: computers, furniture, jewelry, airline tickets; pets; tattoos; car repairs
- Student loans

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Selected laws the CFPB enforces

- Alternative Mortgage Transaction Parity Act (AMTPA)
- ***Consumer Financial Protection Act (Title X of Dodd-Frank)***
- Consumer Leasing Act (CLA)
- Electronic Fund Transfers Act
- Equal Credit Opportunity Act (ECOA)
- Fair Credit Billing Act (FCBA)
- Fair Credit Reporting Act (FCRA)
- Fair Debt Collection Practices Act (FDCPA)
- Federal Deposit Insurance Act (FDIA)
- Gramm-Leach-Bliley Act
- Home Mortgage Disclosure Act (HMDA)
- Home Owners Protection Act (HOPA)
- Home Ownership and Equity Protection Act (HOEPA)
- Interstate Land Sales Full Disclosure Act (ILSA)
- ***Military Lending Act (MLA)***
- Omnibus Appropriations Act 2009
- Real Estate Settlement Procedures Act (RESPA)
- S.A.F.E. Mortgage Licensing Act
- Truth in Lending Act (TILA)
- Truth in Savings Act (TISA)G

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Selected consumer laws for the military

- …
- ***Consumer Financial Protection Act (Title X of Dodd-Frank)***
- Consumer Leasing Act (CLA)
- Electronic Fund Transfers Act
- …
- Fair Credit Billing Act (FCBA)
- Fair Credit Reporting Act (FCRA)
- Fair Debt Collection Practices Act (FDCPA)
- …
- …
- …
- …
- …
- ***Military Lending Act (MLA)***
- …
- Real Estate Settlement Procedures Act (RESPA)
- …
- Truth in Lending Act (TILA)
- …

Note: Servicemembers Civil Relief Act (DOJ enforces)

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Most common consumer laws for military *

- Truth in Lending Act (15 U.S.C. 1601 *et seq.*; 12 C.F.R. 226)
- Military Lending Act (10 U.S.C. 987; 32 C.F.R. 232)
- Fair Debt Collection Practices Act (15 U.S.C. 1692 *et seq.*; 12 C.F.R. 1006)
- Fair Credit Reporting Act (15 U.S.C. 1681 *et seq.*; 12 C.F.R. 1222)
- Fair Credit Billing Act (15 U.S.C. 1666 *et seq.)*
- Electronic Fund Transfers Act (15 U.S.C. 1693 *et seq.*; 12 C.F.R. 1005)

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Military Lending Act

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Actual legal assistance client

I'm an active-duty spouse and I took out a loan last month for $3600. If I pay it off as agreed, I will end up paying $17,000! Is bankruptcy an option for me?

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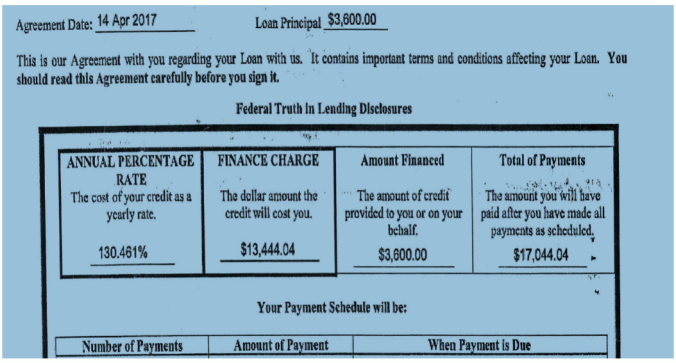
Actual legal assistance client



Agreement Date: 14 Apr 2017 Loan Principal $3,600.00

This is our Agreement with you regarding your Loan with us. It contains important terms and conditions affecting your Loan. You should read this Agreement carefully before you sign it.

Federal Truth in Lending Disclosures

ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost you.	Amount Financed The amount of credit provided to you or on your behalf.	Total of Payments The amount you will have paid after you have made all payments as scheduled.
130.461%	$13,444.04	$3,600.00	$17,044.04

Your Payment Schedule will be:

Number of Payments	Amount of Payment	When Payment is Due

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MLA issue-spotting chart: "covered borrower" / "consumer credit" (part 1)

Was the client serving on active duty* or the dependent of an active-duty service member at the time of the transaction or account opening?

No → MLA does not apply

* Note: "Active duty" = (i) Titles 10, 14, or 32, U.S.C., "under a call or order that does not specify a period of 30 days or fewer"; or (ii) "Active Guard and Reserve duty, as that term is defined in 10 U.S.C. 101(d)(6)"

Yes ↓

Is the credit primarily for personal, family, or household use?

No → MLA does not apply (*business transactions, e.g Uber driver, home care, Etsy sales*)

Yes ↓

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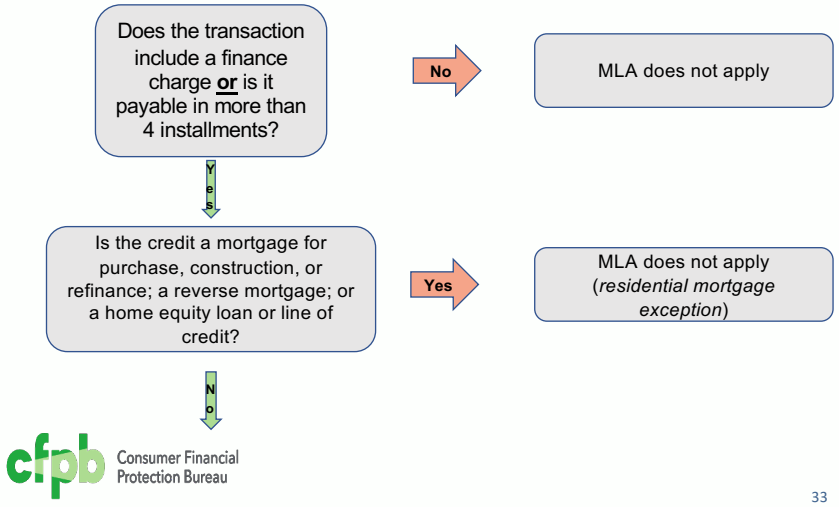
MLA issue-spotting chart: "covered borrower" / "consumer credit" (part 2)



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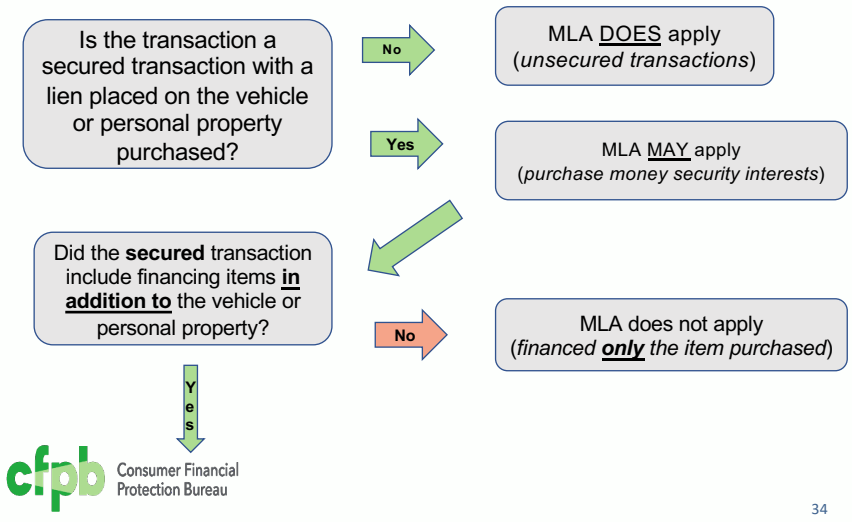
MLA issue-spotting chart: unsecured transactions / "PMSI"



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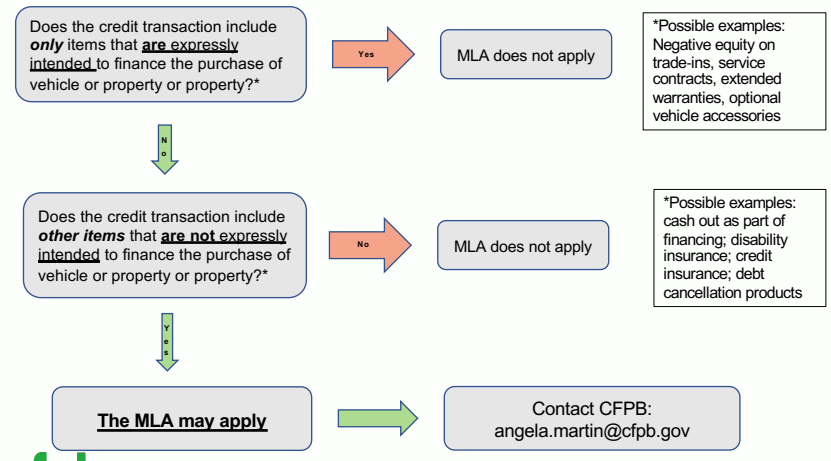
MLA issue-spotting chart: hybrid loans



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CFPB MLA sweep 2020 - CFPB v. LendUp

- Filed in N.D. Cal. 12/4/2020 (4:20-cv-08583)
- Alleged violations of the MLA
  - extending loans with an APR that exceeds the MLA's **36% cap**
  - extending loans that require borrowers to submit to **arbitration**, and
  - failing to make certain required **disclosures**, including a statement of the applicable APR
- Consent Judgment (1/19/2021):
  - $300k redress
  - $950k Civil Money Penalty
  - Injunctive relief

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CFPB MLA sweep 2020 - In re: Omni Financial

- 2020-BCFP-0028 In re: Omni Financial (Dec. 30, 2020)
  - Violated the MLA's prohibition against **mandatory allotments**
  - Violated the **Electronic Fund Transfers Act** prohibition against requiring consumers to preauthorize electronic fund transfers as a condition of receiving credit
  - Remedy:
    - $2.175 Million Civil Money Penalty
    - Injunctive relief

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Questions? Enforcement tips?

- Local and regional training, to include remote
- **Individual responses from liaison**
- Preventive law materials
- Distribution list for Enforcement information

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Military Affairs Liaison
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(202) 578-6956 (cell)

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Office of Servicemember Affairs

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Bureau representative

Josh Friedman

Consumer Response Specialist

Office of Servicemember Affairs

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OSA mission under Dodd-Frank

- Educate and empower servicemembers *
- Monitor servicemember complaints and company responses
- Coordinate with Federal and State agencies regarding consumer protection measures
  - Work with the DoD to improve financial education and readiness products
  - Share our data with Congress
  - Route complaint data to the DOJ and FTC as warranted

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Complaints

- CFPB received 40,800 complaints from Servicemembers in 2020
- Anyone* can submit a complaint about a consumer financial product or service www.consumerfinance.gov/complaint
  - CFPB forwards the complaint to the company for response or routs it to an agency better able to assist
  - Company typically responds in 15-60 days
  - Complaint is published if consumer consents (PII information scrubbed)
  - Consumer has opportunity to dispute the company's response

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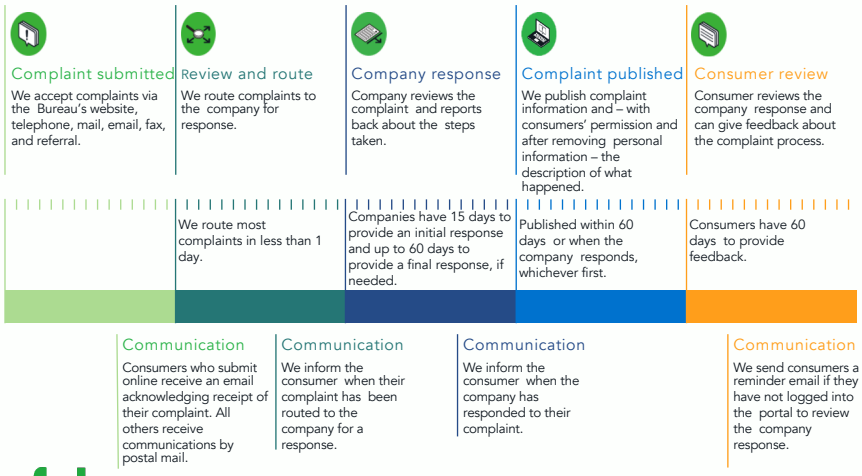
Complaint process



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How a company responds to a complaint

- Describe steps taken thus far to resolve the consumer's complaint
- Describe any prior communication with the consumer
- State any follow up actions planned in response to the consumer's complaint
- Categorize how the company is closing the complaint

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Categories of a company response

- In progress
- Closed with explanation
- Closed with non-monetary relief
- Closed with monetary relief

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How OSA uses complaint data

- Improves our educational products
- Informs CFPB's supervision of companies
- Shares with other government agencies, including DoD

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Financial education tools for servicemembers and their families

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Bureau representative

Mechel Glass

Program Manager

Office of Servicemember Affairs

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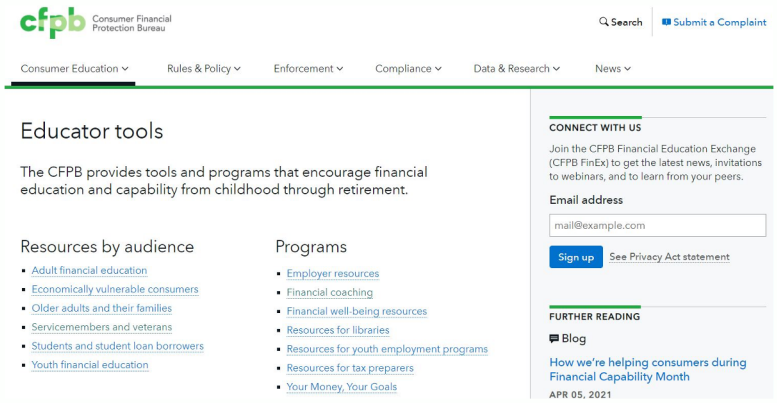
Educator Tools



https://www.consumerfinance.gov/consumer-tools/educator-tools/

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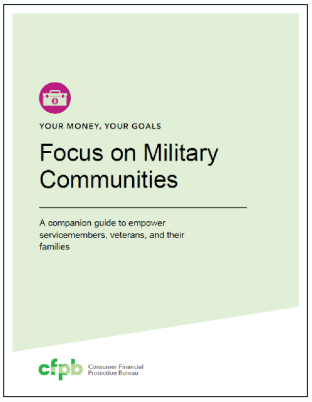
Your Money, Your Goals: Focus on Military Communities



DESCRIPTION
Focus on Military Communities companion guide
Tool: Planning for important money conversations
Tool: Discussing money productively
Tool: Buying or renting a home
Handout: VA Home loans
Tool: Saving opportunities for military communities
Handout: Understanding your military pay statement
Handout: Veterans: Maximize your income through work incentives
Tool: Spending tracker for servicemembers and veterans
Handout: Military relief societies
Tool: Planning for PCS moving expenses
Tool: Cash flow budget for servicemembers and veterans
Tool: Planning for the year
Handout: SCRA and MLA protections
Tool: SCRA example letter to lenders
Tool: Credit reports and military service
Tool: Deciding which financial services to trust
Tool: Organizing your financial and legal documents
Handout: Marketing and scams aimed at military communities

www.consumerfinance.gov/consumer-tools/educator-tools/your-money-your-goals/companion-guides

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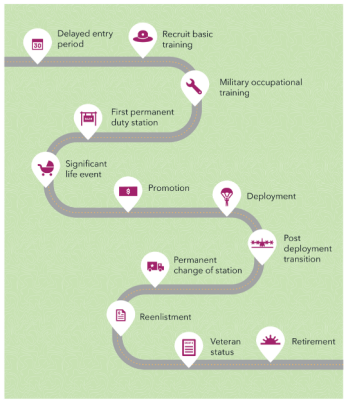
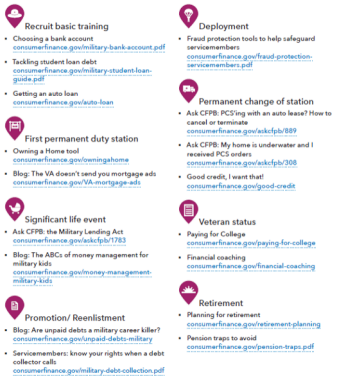
Military consumer lifecycle

Lifecycle of the military consumer



Resources for military consumers



www.consumerfinance.gov/consumer-tools/military-financial-lifecycle/

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MiMM.gov

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Why MiMM?

- Servicemembers distracted by financial problems cannot perform at optimal levels and advanced problems can end their careers.
- MiMM was created to educate and empower servicemembers and their families as they work towards financial well-being and build wealth.
- It's designed for a younger generation of servicemembers
- It helps to complement other financial readiness educational goals of the Armed Forces and informs servicemembers on applicable policy that can be incorporated into their daily life.

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Is MiMM effective? YES!

- MiMM has been used by more than 48,000 servicemembers who have shown an average 17-point knowledge gain after using the program once.
- 94% of servicemembers who accessed MiMM have shown knowledge gain in one or more topics.
- MiMM has won multiple awards for including:
  - The Communicator Award (*Best User Experience*)
  - Davey Award (*Silver Winner*)
  - W3 Awards (*Best in Show*)
  - Gamicon Award (*Excellence in Learning*)
  - Brandon Hall Excellence in Learning and Development Award

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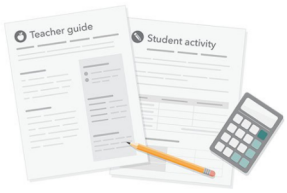
Teacher guides

https://go.usa.gov/xGXV4



MiMM Financial Literacy Activities

- Angela builds her credit
- Sonya gives advice on large purchases
- James resists impulse spending
- Dirk avoids five financial disasters
- Miya builds her wealth
- Xavier saves his finances
- Cruz buys a car

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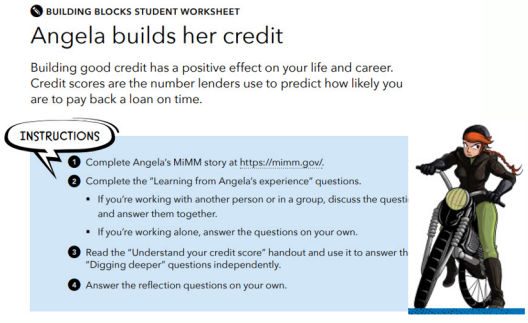
MiMM classroom activity

Access the lesson guides at:
https://go.usa.gov/xGXV4

Each activity provides:

- ❑ Student objectives
- ❑ How the instructor can prepare for the lesson
- ❑ Identification of the key financial concepts taught
- ❑ Teaching outline
- ❑ Key vocabulary
- ❑ Suggestions for extending the learning after the activity is over



BUILDING BLOCKS STUDENT WORKSHEET

Angela builds her credit

Building good credit has a positive effect on your life and career. Credit scores are the number lenders use to predict how likely you are to pay back a loan on time.

INSTRUCTIONS

1. Complete Angela's MiMM story at https://mimm.gov/.
2. Complete the "Learning from Angela's experience" questions.
   - If you're working with another person or in a group, discuss the questi and answer them together.
   - If you're working alone, answer the questions on your own.
3. Read the "Understand your credit score" handout and use it to answer th "Digging deeper" questions independently.
4. Answer the reflection questions on your own.

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Try out the program for yourself

Future and current servicemembers go to
MiMM.GOV

For servicemember families go to
MiMM.GOV/Family

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Spread the word on MiMM.gov.

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Questions? Contact us!

Office of Servicemember Affairs

- Josh Friedman
- Mechel Glass

Email: military@cfpb.gov

Website: consumerfinance.gov/servicemembers

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Questions?

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Upcoming Event

Financial Planning for Transition: Train-the-Trainer

Photo by August de Richelieu from Pexels

Tuesday, August 17, 2021
11:00 a.m. – 12:30 p.m. EST

Event Page:
MilitaryFamiliesLearningNetwork.org/event/104645

Join speakers from the Department of Defense Office of Financial Readiness and the Military to Civilian Transition for this session on financial planning for transition.

Continuing education credit will be available for this webinar!

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For archived and upcoming webinars visit:
MilitaryFamiliesLearningNetwork.org/AllEvents/

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Evaluation & Continuing Education

This webinar has been approved for the following continuing education (CE) credits:

- 1.5 CE credits from the **Association for Financial Counseling & Planning Education** (AFCPE)
- 1.5 CE credits from the **Center for Financial Certifications** (FinCert)
- 1.5 CE credits from the National Council on Family Relations for **Certified Family Life Educators** (CFLE)

Evaluation Link

Go to the event page for evaluation and post-test

Continuing Education

Questions?

Email Selena Garrison at selenah@ufl.edu

Event Page:
MilitaryFamiliesLearningNetwork.org/event/101316/

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Topics of Interest:

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