

CFPB.025

SYSTEM NAME:

Civil Penalty Fund and Bureau-Administered Redress Program Records

SYSTEM LOCATION:

Bureau of Consumer Financial Protection, 1700 G Street NW., Washington, DC 20552.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals covered by this system include, without limitation: (1) Individuals identified as victims or potential victims who may receive payments from the Civil Penalty Fund or through Bureau-Administered Redress, including but not limited to current, former, and prospective consumers who are or have been customers or prospective customers of entities ordered to pay a civil penalty or redress to the Bureau as a result of a Bureau enforcement action; (2) individuals associated with entities and individuals that have been ordered to pay a civil penalty or redress to the Bureau as a result of a Bureau enforcement action; and (3) others, including Bureau employees, with information relevant to, or otherwise associated with, a Bureau enforcement action that has resulted in an order to pay civil penalties or redress to the Bureau.

CATEGORIES OF RECORDS IN THE SYSTEM:

Records in this system may contain identifiable information about individuals including, without limitation: (1) Name, address, e-mail address, phone number and other contact information; (2) Social Security number (SSN), age, date of birth, marital status, records of consumer financial transactions, financial account information, and internal identification number assigned to identified victims; (3) accounting and financial information relevant to making payment; and (4) accounting and financial information relevant to determining when and in what amounts victims have claimed funds. Additionally, non-identifying information in the system may include the dates the Bureau authorized, instituted, settled, and/or otherwise obtained a final judgement in a judicial or administrative action; an internal case tracking number; the date the judicial or administrative order was entered; the date the judicial or administrative order became a “final order” as defined by the Consumer Financial Civil Penalty Fund Rule, 12 CFR Part 1075; the amount of civil penalties or redress ordered; the due date for payments of civil penalties and redress funds; the date and amount of payments made; the status of debt collection efforts; and the balances of the Bureau’s accounts as payments are made.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Pub. L. 111-203, Title X, Sections 1017(d), 1055(a), codified at 12 U.S.C. 5497(d), 5565(a).

PURPOSE(S):

The system will enable the Bureau to manage the distribution of Civil Penalty Fund and redress monies to consumers, including: (1) Tracking the collection, allocation, and distribution of funds in the Civil Penalty Fund and redress monies; (2) identifying and locating victims who may receive payments from the Civil Penalty Fund and/or redress payments; (3) determining the amounts of the Civil Penalty Fund payments and redress payments that the Bureau will make to victims; (4) maintaining accounting and financial information associated with such payments; and (5) developing reports to applicable federal, state, and local taxing officials of taxable income, and reports necessary to meet other reporting requirements. The information will also be used for administrative purposes to ensure quality control, performance, and improving management processes.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

These records may be disclosed, consistent with the Bureau's Disclosure of Records and Information Rules, promulgated at 12 CFR 1070 *et seq.*, to:

- (1) Appropriate agencies, entities, and persons when (a) the Bureau suspects or has confirmed that there has been a breach of the system of records; (b) the Bureau has determined that as a result of the suspected or confirmed breach there is a risk of harm to individuals, the Bureau (including its information systems, programs, and operations), the Federal Government, or national security; and (c) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the Bureau's efforts to respond to the suspected or confirmed breach or to prevent, minimize, or remedy such harm;
- (2) Another Federal agency or Federal entity, when the Bureau determines that information from this system of records is reasonably necessary to assist the recipient agency or entity in (a) responding to a suspected or confirmed breach or (b) preventing, minimizing, or remedying the risk of harm to individuals, the recipient agency or entity (including its information systems, programs, and operations), the Federal Government, or national security, resulting from a suspected or confirmed breach.
- (3) Another federal or state agency to (a) permit a decision as to access, amendment or correction of records to be made in consultation with or by that agency, or (b) verify the identity of an individual or the accuracy of information submitted by an individual who has requested access to or amendment or correction of records;
- (4) The Office of the President in response to an inquiry from that office made at the request of the subject of a record or a third party on that person's behalf;

- (5) Congressional offices in response to an inquiry made at the request of the individual to whom the record pertains;
- (6) Contractors, agents, or other authorized individuals performing work on a contract, service, cooperative agreement, job, or other activity on behalf of the Bureau or Federal Government and who have a need to access the information in the performance of their duties or activities;
- (7) The U.S. Department of Justice (“DOJ”) for its use in providing legal advice to the Bureau or in representing the Bureau in a proceeding before a court, adjudicative body, or other administrative body before which the Bureau is authorized to appear, where the use of such information by the DOJ is deemed by the Bureau to be relevant and necessary to the litigation, and such proceeding names as a party or interests:
 - (a) The Bureau;
 - (b) Any employee of the Bureau in his or her official capacity;
 - (c) Any employee of the Bureau in his or her individual capacity where DOJ has agreed to represent the employee; or
 - (d) The United States, where the Bureau determines that litigation is likely to affect the Bureau or any of its components;
- (8) Appropriate federal, state, local, foreign, tribal, or self-regulatory organizations or agencies responsible for investigating, prosecuting, enforcing, implementing, issuing, or carrying out a statute, rule, regulation, order, policy, or license if the information may be relevant to a potential violation of civil or criminal law, rule, regulation, order, policy, or license;
- (9) These records may be disclosed to a court, magistrate, or administrative tribunal in the course of an administrative proceeding or judicial proceeding, including disclosures to opposing counsel or witnesses (including expert witnesses) in the course of discovery or other pre-hearing exchanges of information, litigation, or settlement negotiations, where relevant or potentially relevant to a proceeding, or in connection with criminal law proceedings;
- (10) An entity or person that is the subject of a judicial or administrative action resulting in an order to pay civil penalties or redress to the Bureau, and the attorney or non-attorney representative for that entity or person;
- (11) To the Treasury Department, Internal Revenue Service, or other governmental entities, including state and local taxing officials, to comply with tax-reporting obligations;
- (12) A financial institution holding Civil Penalty Fund or redress monies on behalf of the Bureau in order to issue payments to identified victims;
- (13) The Office of Inspector General, the Government Accountability Office, or other governmental entities as necessary to comply with reporting obligations regarding the disbursement of Civil Penalty Fund or redress monies; and

- (14) The Federal Deposit Insurance Corporation (“FDIC”) in order to make claims under the FDIC’s deposit insurance claims process, in the event a financial institution holding Civil Penalty Fund or redress monies on behalf of the Bureau fails.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Paper and electronic records.

RETRIEVABILITY:

Records are retrievable by a variety of fields including, but not limited to, the individual's name, address, financial account number, internal identification number assigned to identified victims, or by some combination thereof.

SAFEGUARDS:

Access to electronic records is restricted to authorized personnel who have been issued non-transferrable access codes and passwords. Other records are maintained in locked file cabinets or rooms with access limited to those personnel whose official duties require access.

RETENTION AND DISPOSAL:

The Bureau will maintain electronic and paper records indefinitely until the National Archives and Records Administration (“NARA”) approves the Bureau’s records disposition schedule.

SYSTEM MANAGER(S) AND ADDRESS:

Bureau of Consumer Financial Protection, Chief Financial Officer, 1700 G Street NW., Washington, DC 20552.

NOTIFICATION PROCEDURE:

Individuals seeking notification and access to any record contained in this system of records, or seeking to contest its content, may inquire in writing in accordance with instructions appearing in Title 12, Chapter 10 of the CFR, Part 1070, “Disclosure of Records and Information.” Address such requests to: Chief Privacy Officer, Bureau of Consumer Financial Protection, 1700 G Street NW., Washington, DC 20552.

RECORD ACCESS PROCEDURES:

See "Notification Procedures" above.

CONTESTING RECORD PROCEDURES:

See "Notification Procedures" above.

RECORD SOURCE CATEGORIES:

Information in this system is provided by (1) individuals identified as victims or potential victims who may receive payments from the Civil Penalty fund or through Bureau-Administered Redress, including but not limited to current, former, and prospective consumers who are or have been customers or prospective customers of entities ordered to pay a civil penalty or redress to the Bureau as a result of a Bureau enforcement action; (2) entities and individuals associated with entities and individuals that have been ordered to pay a civil penalty or redress to the Bureau as a result of a Bureau enforcement action; and (3) others, including Bureau employees, with information relevant to, or otherwise associated with, a Bureau enforcement action that has resulted in an order to pay civil penalties or redress to the Bureau.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

None.