



## United States Senate

WASHINGTON, DC 20510-0504

<http://feinstein.senate.gov>

September 3, 2019

The Honorable Kathy Kraninger  
Director, Consumer Financial Protection Bureau  
1700 G Street, NW  
Washington D.C. 20552

Dear Director Kraninger,

It was recently reported that the Consumer Financial Protection Bureau (CFPB) has nearly doubled funding for financial literacy education programs while reducing the number of enforcement actions taken. Given that CFPB leadership during the current administration has placed a much greater emphasis on using cost-benefit analyses in its decision-making, I would like to know if the CFPB conducted a formal cost-benefit analysis before making these recent policy changes.

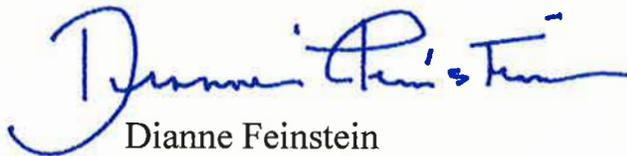
Specifically, I would appreciate your answers to the following questions:

1. Has the CFPB conducted one or more formal cost-benefit analyses on the effectiveness of financial literacy education and, in particular, on the specific approaches the CFPB is currently taking or planning to take?
2. If the CFPB has conducted these analyses, on what dates were the analyses done, what were the results of your analyses, and how did the agency quantify the costs and benefits?
3. How much does the CFPB expect consumers to directly benefit from the increased funding for financial literacy education? How does that compare to the approximately \$11.7 billion in relief the CFPB reported in July 2016 it had secured for consumers through enforcement actions?
4. To what extent did the CFPB rely on academic or other independent analyses of the costs and benefits of financial literacy education and what were their results? Please provide a list of studies that were reviewed.

5. In its recent report, "Federal Financial Literacy Reform: Coordinating and Improving Financial Literacy Efforts," the Treasury Department found that "many of the existing federal activities lack meaningful coordination and sometimes may be overlapping or duplicative" and that "the impact and effectiveness of these activities have generally not been measured, since very few agencies monitor the impact of their programs on changes in financial decision-making." What steps are you taking to ensure that the CFPB's financial literacy efforts do not overlap with or duplicate other federal programs?
  
6. What safeguards are you putting in place to ensure that the CFPB is only providing resources to programs that have demonstrated a successful track record of meaningful impact? How did you measure the impact of these programs in your cost-benefit analysis?

I look forward to your responses to these questions so that I can better understand the CFPB's approach to protecting consumers.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dianne Feinstein". The signature is fluid and cursive, with a long horizontal stroke at the end.

Dianne Feinstein  
United States Senator

DF/js