

Wiley Consumer Protection Download (November 12, 2024)

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Welcome to Wiley's update on recent developments and what's next in consumer protection at the Consumer Financial Protection Bureau (CFPB) and Federal Trade Commission (FTC). In this newsletter, we analyze recent regulatory announcements, recap select enforcement actions, and preview upcoming deadlines and events. We also include links to our articles, blogs, and webinars with more analysis in these areas. We understand that keeping on top of the rapidly evolving regulatory landscape is more important than ever for businesses seeking to offer new and groundbreaking technologies. Please reach out if there are other topics you'd like to see us cover or for any additional information.

Wiley has launched a new Trump Administration Resource Center and Resource Guide ahead of President-Elect Trump's second Administration beginning in January 2025. With Wiley's deep-rooted understanding of Washington and today's evolving regulatory landscape, the Resource Center and Resource Guide provide critical insights, actionable intelligence, practical solutions, and guidance across key industries to help businesses stay ahead of the curve and manage challenges in 2025 and beyond.

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Practice Areas

Cyber and Privacy Investigations, Incidents
& Enforcement

FTC Regulation

Privacy, Cyber & Data Governance

Telecom, Media & Technology

Regulatory Announcements

FTC to Hold Virtual November Open Commission Meeting. The FTC will hold a virtual Open Commission Meeting on **November 14** at 11 a.m. EST. During the meeting, the agency will hear three presentations from FTC staff: (1) a presentation by the Consumer Protection's Division of Marketing Practices on the FTC's report on protecting older Americans from fraud; (2) a presentation by the Division of Enforcement on the FTC's "Click-to-Cancel" Rule; and (3) a presentation from the Bureau of Competition on the agency's new online merger portal. The public will be able to view the meeting [here](#).

CFPB and CMS Issue Joint Statement on Medicare Billing Practices. On **October 31**, the CFPB and the Centers for Medicare & Medicaid Services (CMS) issued a Joint Statement explaining how the Fair Debt Collection Practices Act (FDCPA) and Fair Credit Reporting Act (FCRA) apply to Qualified Medicare Beneficiaries (QMBs). The Joint Statement notes that: the FDCPA prohibits collecting bills not owed or bills listing the wrong amount of debt and the FCRA prohibits collectors from furnishing inaccurate information to credit reporting agencies.

Select Enforcement Actions

FTC Settles with Consumer Review Platform for Allegedly Deceptive Business Practices. On **November 6**, the FTC released a complaint and proposed order against an AI-enabled consumer review platform for alleged violations of the FTC Act. The FTC alleges that the company failed to disclose that reviews generated by its platform could be AI-generated, and not from a consumer who purchased and used the product or service. The FTC also alleges that the company's services could be used to mislead consumers. The company agreed to injunctive relief.

FTC Sues Online Cash Advance App for Allegedly Deceptive Advertising Practices. On **November 5**, the FTC filed a complaint in the U.S. District Court for the Central District of California against an online cash advance app for alleged violations of the FTC Act and Restore Online Shoppers' Confidence Act. The FTC alleges the company misrepresents the amount of cash customers are likely to receive and fails to accurately disclose the fees associated with the service. The FTC also alleges that the company made it difficult for customers to cancel their membership and misrepresented what certain payments would fund. The FTC seeks monetary and injunctive relief.

FTC Sues Debt Collections Company and its Owner for Allegedly Deceptive Business Practices. On **October 29**, the FTC filed a complaint and ex parte application for a temporary restraining order and asset freeze in the U.S. District Court for the Northern District of Georgia against a debt collection company and its owner for alleged violations of the FTC Act, FDCPA, and the Gramm-Leach-Bliley Act. The FTC alleges that the defendants misrepresented their identities to contact customers and collect money for debts that did not exist. The court granted the FTC's request for a temporary restraining order and asset freeze against the defendants. The FTC is seeking monetary and injunctive relief.

FTC Sues Online Business Opportunity Company and its Owners for Allegedly Deceptive Business Practices.

On **October 16**, the FTC filed a complaint and ex parte application for a temporary restraining order with an asset freeze in the U.S. District Court for the Southern District of Florida against a company that sells business opportunity programs and its owners for alleged violations of the FTC Act and Business Opportunity Rule. The FTC alleges that the defendants misled consumers by advertising the possibility of earning thousands of dollars annually by purchasing an online marketplace through the defendants, but the marketplaces were rarely profitable. On October 22, the court granted the FTC's request for a temporary restraining order with an asset freeze. The FTC is seeking monetary and injunctive relief.

FTC Settles with Rideshare Service for Allegedly Misleading Advertising. On **October 25**, the FTC filed a complaint and proposed order in the U.S. District Court of the Northern District of California against a rideshare service for alleged violations of the FTC Act. The FTC alleges that the company misrepresented how much consumers could earn when working for the service. The company agreed to pay \$2.1 million in addition to injunctive relief.

CFPB Settles with National Credit Union for Allegedly Deceptive Business Practices. On **November 7**, the CFPB issued a consent order and stipulation against a national credit union for alleged violations of the Consumer Financial Protection Act. The CFPB alleges that the company improperly charged customers overdraft fees in instances where the company approved a debit card transaction or allowed customers to withdraw funds at an ATM, but the customers' account had a negative balance at the time that the transaction settled days later. The CFPB also alleges that the company improperly charged customers overdraft fees by accepting person-to-person payments and failing to notify customers that funds would not, in some instances, post until the following business day. The company agrees to pay a \$15 million monetary penalty, refund more than \$80 million worth of overdraft fees, and cease charging certain types of overdraft fees.

CFPB Settles with a Credit Union for Allegedly Failing to Provide Sufficient Banking Services. On **October 31**, the CFPB issued a consent order and stipulation against a credit union for alleged violations of the Consumer Financial Protection Act. The CFPB alleges that the company launched a new online banking platform that crashed when it was brought online, leaving customers without access to their accounts. The company agreed to refund fees charged to consumers during the outage, fix the online platform, and pay a \$1.5 million monetary penalty.

Upcoming Comment Deadlines and Events

FTC to Hold Virtual Workshop to Examine the Impact of Digital Platform Design Features on Kids and Teens.

The FTC will hold a virtual workshop on **February 25, 2025** to "examine the use of design features on digital platforms aimed at keeping kids, including teens, online longer and coming back more frequently." The workshop, titled "Attention Economy: Monopolizing Kids' Time Online," will feature researchers, technologists, child development and legal experts, consumer advocates, and industry professionals. According to the FTC, topics discussed will include: (1) how certain website design features may result in more engagement or time spent on digital platforms, and what relevant scientific research exists on the topic; (2) the physical and psychological impacts of the design features on children and teens; and (3) potentially beneficial measures or

design considerations that might be effective, feasible, and consistent with current legal practice. Individuals interested in participating as panelists, or individuals with relevant information to provide, may contact the FTC at AttentionEconomy@ftc.gov by **November 15**.

More Analysis from Wiley

74 Wiley Attorneys Recognized in 2025 Edition of The Best Lawyers in America

FTC Adopts Final “Click-to-Cancel” Rule with Requirements for Recurring Subscriptions

FCC to Scrutinize Customer Service Practices Across Communications Industry

Dissenting Commissioners Criticize SEC’s Latest Cybersecurity Disclosure Cases

DOJ and CISA Propose New National Security Program to Regulate Foreign Access to Sensitive Data

Texas AG Brings SCOPE Act Enforcement Action Against TikTok – Just One Month After Law Took Effect

#MWC24 Highlights Collaborative Efforts to Stop Illegal Robocalls and Messages

FCC Proposes New Rules for AI-Generated Calls and Texts

Key Takeaways from Our Conversation with Oregon and Texas Regulators About Privacy Enforcement

Podcast: Navigating State Privacy Laws: A Conversation with Oregon and Texas Regulators about Privacy Enforcement

Litigation Grows Around Website Technologies, With Focus on Sensitive Data

Athletes, Arenas, and Cyberattacks: The Evolving Landscape of Cybersecurity in Sports

State “Right to Repair” Patchwork Grows as Electronic Device Manufacturers Face New Compliance Deadlines

Colorado Enacts Landmark AI Legislation

Darned if You Do, Darned if You Don’t: Recent Lessons from the SEC On Cyber Reporting

Action Steps To Address New Restrictions On Outbound Data

New Federal Data Broker Law Will Restrict Certain Foreign Data Sales Effective June 23

White Paper on Telephone Consumer Protection Act Litigation Abuse

Federal Government Acts on Connected Vehicle Privacy and National Security Concerns

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