2024

California Department of
Financial Protection and Innovation

Annual Report of Activity Under the California Consumer Financial Protection Law

Report required by Financial Code 90018

PROTECTING CONSUMERS
FOSTERING TRUST & INNOVATION

DFPI
DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION

DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION

Tomiquia Moss, Secretary
Business, Consumer Services and Housing Agency

KC Mohseni, Commissioner
Department of Financial Protection and Innovation

Suzanne Martindale, Senior Deputy Commissioner
Division of Consumer Financial Protection

Date of Publication

April 2025

Table of Contents

I want to congratulate the California Department of Financial Protection and Innovation (DFPI) and all its dedicated employees for their ongoing efforts to protect and empower consumers across California. The 2024 Annual Report of Activity under the California Consumer Financial Protection Law (CCFPL) showcases the programs, policies, work, and accomplishments which make a meaningful difference in the financial well-being of Californians. As Secretary of the Business, Consumer Services and Housing Agency, I have seen firsthand the positive impact that financial protections, literacy and empowerment can have on individuals and communities across our state.

As we take pride in and often are the national leaders in many policy and program areas, the implementation of the CCFPL again puts California as a leading role model for consumer protection. The report shows DFPI remains steadfast in its commitment to serving California communities to protect against unlawful, unfair, deceptive or abusive acts and practices. Using its significant authority under California and federal law, its ability to investigate and penalize those practices in the financial sector serves Californians to the utmost, regardless of federal policy changes.

Throughout this report, you will find a comprehensive overview of the accomplishments, challenges, innovations and successes by DFPI in its mission to educate, serve, protect, and innovate for consumers of the financial sector.

We are committed to continuing to build on the momentum in the years ahead. As we move forward, we will remain focused on expanding access to critical financial resources, supporting community-based initiatives, and ensuring that every Californian has the tools they need to achieve financial well-being.

I am proud to support the DFPI in its efforts and I look forward to seeing the continued success of DFPI as we work together to create a stronger, more financially secure California.

Sincerely,

Tomiquia Moss, Secretary
Business, Consumer Services and Housing Agency

April 2025

The Department of Financial Protection and Innovation (DFPI) is pleased to publish its 2024 Annual Report of Activity Under the California Consumer Financial Protection Law (CCFPL) as required by Financial Code Section 90018.

The following annual report details actions taken during the prior year under the CCFPL, including but not limited to rulemaking, enforcement, oversight, consumer complaints and resolutions, education and outreach, and the activities of the Office of Financial Technology and Innovation. This report represents the fourth full year of CCFPL implementation and highlights data and statistics related to CCFPL implementation activities for the calendar year reporting cycle, January 1, 2024, through December 31, 2024.

Implementing the CCFPL has positioned California as a national model for consumer protection. The CCFPL clearly establishes the DFPI's authority to investigate and sanction unlawful, unfair, deceptive, or abusive acts and practices (UUDAAP) in the financial services marketplace under California and federal law. The DFPI is steadfast in its commitment to serving California communities using its broad authorities, regardless of potential changes in federal policy.

A key element of the Department's mission is advancing economic mobility, particularly through expanding access to financial products and services among underrepresented and underbanked communities. Access, innovation, and strong consumer protections can change the reality for our most vulnerable communities. Implementing and enforcing the CCFPL is critical for building a strong and resilient California economy.

The investment from the Administration and the Legislature in the DFPI and CCFPL is having a tremendous positive impact on Californians. We continue to make incredible progress, and there is still more to do.

I hope you find the report informative and useful. Please do not hesitate to contact our Deputy Commissioner of Legislation, Myriam Valdez-Singh, with questions or concerns. She can be reached at (916) 931-9725 or myriam.valdez-singh@dfpi.ca.gov. The report can also be found on the DFPI website.

Sincerely,

KC Mohseni, Commissioner
Department of Financial Protection and Innovation

Executive Summary

The annual report and data presented in this publication are unaudited and cover activities related to the CCFPL in the calendar year reporting cycle, January 1, 2024, through December 31, 2024. Highlights include:

- Received approval and began implementing the first registration regulations under the CCFPL covering four unregistered industries: income-based advances, private postsecondary education financing, debt settlement services, and student debt relief services.
- Obtained a $4.2 million judgment in the Department's first lawsuit filed jointly with the Consumer Financial Protection Bureau (CFPB) and 10 other states under Title X of Dodd-Frank.
- Received 2,388 consumer complaints related to the CCFPL, a six percent increase from 2023. The top two CCFPL-related complaints involved crypto assets (42 percent) and debt collectors (31 percent).
- Opened 699 CCFPL-related investigations and issued 202 public CCFPL actions, a 12 percent increase from 2023.
- Doubled the number of views and visitors to our Crypto Scam Tracker webpage, with nearly 400,000 individuals visiting the page in 2024.
- Initiated the first examination of a financial services company using CCFPL authority.
- Launched an interactive complaint dashboard to enhance complaint reporting and improve trendspotting of consumer risks and marketplace compliance issues.

- Reached more than 35,000 consumers at 291 outreach and education events.
- Launched the first regional chapter of the California Coalition for Financial Empowerment in partnership with the Federal Deposit Insurance Corporation (FDIC) in the southern San Joaquin Valley.
- Promoted a statewide outreach and education campaign, generating nearly 130 million impressions, 30 million video views, and 1 million consumer clicks.
- Launched a fully redesigned and reimagined public-facing website to better serve consumers and industry.
- Achieved an 83 percent increase in views of DFPI video content on YouTube versus 2023.

About the DFPI

The California Department of Financial Protection and Innovation (DFPI) protects consumers and fosters trust by regulating companies and individuals offering financial products. We work closely with state and federal agencies to investigate financial abuse and fraud claims and ensure financial service providers follow the law. We foster innovation by encouraging the development of responsible financial tools that help all Californians thrive.

In 2020, the Legislature passed Assembly Bill 1864 (Limón), the California Consumer Financial Protection Law (CCFPL), to identify gaps in consumer protection due to strict definitions in existing licensing laws. This law provides the DFPI with broad general authority to oversee financial products and services previously unregulated by the DFPI.

The law created a Consumer Financial Protection Division, an Office of Financial Technology Innovation, and an Office of the Ombuds. The Consumer Financial Protection Division has the authority to supervise and register financial service providers previously unregulated by the DFPI, conduct targeted outreach to communities historically underserved throughout the State, and have a market monitoring and research arm to keep up with consumer trends.

The Office of Financial Technology Innovation provides early guidance to entrepreneurs developing financial products and services in California to spur job creation and safeguard consumers. The Office of the Ombuds provides an impartial review of complaints and resolutions to improve and streamline department operations.

Key Accomplishments

Regulations and Rulemaking

In 2024, the Department finalized its inaugural registration and reporting regulations under the CCFPL. The rulemaking, which the Office of Administrative Law approved on October 11, 2024, and became effective on February 15, 2025, created registration and reporting requirements for four previously unregistered financial products and services in California: 1) income-based advances, including "earned wage advance" (EWA) products; 2) private postsecondary education financing; 3) debt settlement services; and 4) student debt relief services. The regulations also clarified that income-based advances and education financing products are loans under the California Financing Law (CFL) and that tips and other voluntary payments for these services are charges subject to the CFL's rate limits. Providers covered by the new rules will be subject to mandatory registration, reporting, examinations, and other oversight, ensuring fairness and accountability in the marketplace and protecting consumers.

After the approval of the registration rulemaking, the Department invited interested parties to comment on additional industries to be required to register under the CCFPL, with a deadline of December 12, 2024. The Department received four comment letters in response to the invitation. The DFPI expects to initiate formal rulemaking on registering additional industries in 2025.

The Department also continued implementing the CCFPL regulations on small business financing, which became effective in late 2023. The Department developed the forms, instructions, procedures, and systems for collecting data and receiving the annual reports required to be filed by small business financing providers. The first reports are due by March 15, 2025.

Legislation

The CCFPL grants the DFPI authority to enforce any California or federal consumer financial law pursuant to Financial Code section 90003, subdivision (a)(2). While the CCFPL confers general authority over consumer financial products and services, recent legislation supplements the CCFPL and establishes licensing requirements and standards for specific industries. Together, the following legislation amends laws the DFPI may enforce under the CCFPL:

- **AB 1934 (Grayson, Chapter 1934, Statutes of 2024)** delays the operative date of AB 39, the Digital Financial Assets Law (Grayson, Chapter 792, Statutes of 2023), and its provisions related to existing licensure requirements, disclosures, consumer protections, and the bill's stablecoin requirements by one year, from July 1, 2025, to July 1, 2026. The bill also requires a licensee to maintain a monthly report that shows a stablecoin issuer has complied with stablecoin reserve requirements within the existing Digital Financial Assets Law.

Relevant Previous Legislation

- **AB 39 (Grayson, Chapter 792, Statutes of 2023)** requires that any person seeking to engage in crypto asset business activity of more than $50,000 annually with or on behalf of a California resident obtain a license from the DFPI. The law requires DFPI to create a licensing regime for certain crypto activities, process applications, investigate applicants, process annual reports, impose fees, conduct exams, approve stablecoins, and take enforcement actions as needed. The law allows the DFPI Commissioner to issue a conditional license to an applicant pending compliance with certain requirements.
- **SB 401 (Limón, Chapter 871, Statutes of 2023)** requires the DFPI to regulate crypto kiosks by limiting the amount of money or crypto assets a person can withdraw from a kiosk, requiring a written disclosure prior to a transaction, capping transaction fees, requiring receipts with specific information, and requiring DFPI to post a public list of kiosk locations.

Assembly Bill 1934 and Assembly Bill 39, in combination with Senate Bill 401, comprise the Digital Financial Assets Law (DFAL).

Enforcement

In 2024, DFPI's Enforcement Division (Enforcement) reinforced DFPI's position as a national leader in consumer protection by spearheading impactful settlements and multistate initiatives. These efforts furthered DFPI's mission to safeguard consumers while promoting fair and transparent markets.

Overall, Enforcement maintained its high performance standards, including these key results:

- Reviewed 973 referred CCFPL-related complaints, a 6 percent increase from 2023.
- Opened 699 CCFPL investigations, comparable to 2023.
- Issued 202 public CCFPL actions, a 12 percent increase from 2023.
- Collected $2.7 million in CCFPL penalties.

CCFPL-related penalties accounted for 11 percent of total penalties collected by the division. Approximately one-third of Enforcement's public actions in 2024 were attributed to CCFPL enforcement, underscoring the law's critical role in consumer protection.

Enforcement Cases of Note

DFPI solidified its position as a trailblazer in safeguarding consumers in several crucial actions:

DFPI v. Chime (banking as a service)

Taking on banking-as-a-service providers, the DFPI entered into a consent order with well-known fintech Chime Financial, Inc. to address the lack of accuracy and responsiveness of Chime's customer service transactions and resulted in a $2.5 million penalty. The order resolves DFPI's investigation of the accuracy and responsiveness of Chime's handling of customer service transactions. Under the consent order, Chime agreed to: 1) desist and refrain from violating the CCFPL in its complaint handling processes; 2) pay a penalty of $ 2.5 million; 3) enhance existing customer service procedures or processes; 4) establish, implement, enhance, and maintain testing policies, procedures, and standards reasonably designed to, at a minimum, ensure compliance with the law; and 5) report to the DFPI annually for two years on these standards.

Student Loan Debt Relief Sweep

DFPI continued its enforcement sweep in the student loan debt settlement market by issuing actions against three student loan debt relief companies. The companies took fees upfront before doing any work, misled customers that only the company could negotiate with the lender when customers can do this on their own, and some companies guaranteed loan forgiveness, which did not occur. The companies were directed to rescind all outstanding contracts with California consumers, issue refunds, and pay total penalties of $260,000. The orders were issued under the California Consumer Financial Protection Law (CCFPL), Federal Telemarketing Sales Rule (TSR), Federal Gramm-Leach-Bliley Act, and the Federal Trade Commission's new Impersonation Rule, which took effect on April 1, 2024. These actions were part of DFPI's ongoing efforts to crack down on student loan debt relief companies that violate the CCFPL.

Credova (hidden junk fees)

DFPI received national attention for going after junk fees in its settlement with internet-based platform Credova Financial, LLC and assessing a $50,000 penalty for charging hidden convenience fees when consumers chose to make installment payments online or over the phone. The Commissioner determined that failing to disclose potential convenience fees before consumers enter these financing contracts is deceptive and violates the CCFPL.

DFPI and CFPB v. Prehired (mortgage fraud)

Through a successful collaboration with counterparts nationwide, DFPI obtained a $4.2 million judgment in its first ever lawsuit filed jointly with the Consumer Financial Protection Bureau (CFPB) under Title X of Dodd-Frank. The DFPI, CFPB, and 10 state attorneys general filed the action against Prehired, LLC after it made deceptive representations encouraging consumers to finance the cost of the company's career accelerator "bootcamp" through income share agreements. The court ordered the judgment to be paid out of the CFPB's Victim Relief Fund, a key legal victory for California consumers and consumers nationwide. The DFPI was the only state regulator that joined in the action.

DFPI v. OppFi (bank partnership)

The DFPI continued its litigation against lender Opportunity Financial, LLC (OppFi). The company filed a complaint in Los Angeles Superior Court in 2022 seeking to bar the DFPI from enforcing the California Financing Law and California Consumer Financial Protection Law against its loans routed through a prearranged agreement with an out-of-state bank.

Investigations & Actions by the Numbers

Priority CCFPL Market Sectors	Number of Investigations	Number of Actions
Crypto Scams and Investigations	570	157
Other (i.e., merchant cash advance, banking as a service)	66	24
Unlicensed Debt Collectors	49	15
Education Financing	14	6
Total CCFPL priority investigations and actions	**699**	**202**

The DFPI seeks to block OppFi from charging higher rates, make it compensate borrowers, and pay $100 million in fines. The trial is currently set for June 2025.

Crypto Assets

DFPI's Crypto Scam Tracker, launched in 2023, continued to be a national model for other government agencies.

Crypto Scam Tracker offers a comprehensive approach to tackling the crypto scam epidemic that has seen citizens across the nation falling prey to these schemes.

In 2024, Enforcement added 152 scams, more than doubling the total number of scams in the tracker. Views of the Crypto Scam Tracker website almost doubled from 2023, garnering 519,708 views by 383,711 unique visitors.

Consumer Financial Protection

In 2024, the Consumer Financial Protection Division (CFP or Division) continued the work to establish the DFPI as a national leader in consumer protection. The year was marked by significant milestones, including implementing regulations that allow the first new registrants under the CCFPL. The Division also continued its work, in coordination with external governmental and community stakeholders and other divisions within the Department, to identify products and services in need of greater oversight and advise on rulemaking and enforcement efforts pursuant to the CCFPL, Debt Collection Licensing Act (DCLA), Student Loan Servicing Act (SLSA), and Student Borrower Bill of Rights.

New Covered Persons Program

The Supervision and Registration of New Covered Persons (NCP) program successfully finalized most of its program implementation efforts during the year. When the Office of Administrative Law (OAL) approved registration regulations in October 2024, the necessary policies, procedures, and system integration were successfully in place to perform its key supervision functions under the CCFPL. While the program continued its cross-division collaboration and staff training and development, it also began receiving its first registration applications, started its first examination, and is prepared to collect industry data through annual reporting in the first quarter of 2025.

- **Cross-Division Collaboration:** The NCP program worked closely with DFPI's Legal Division to accomplish the significant milestone of getting rulemaking on CCFPL registration to the finish line. In December 2024, the two units also collaborated to solicit feedback from external stakeholders on additional financial products and services to be considered in the Department's policy decisions on future registration under the CCFPL. The NCP program also coordinated with various internal programs on outreach intended to inform prospective registrants and providers of commercial financing of requirements and upcoming deadlines on CCFPL registration and annual reporting, respectively. This included widespread messaging distributed through notices, media, and social media and updating our website with helpful information.

- **Building Infrastructure:** The NCP program successfully completed all onboarding activities with the Nationwide Multistate Licensing System and Registry (NMLS) and was ready to accept registration applications shortly after the registration rulemaking was approved. In coordination with DFPI's Information Technology Division, the program ensured the proper functioning of necessary system infrastructure to allow annual report data for commercial financing and all four registration categories to be submitted electronically.

- **Staff Training and Development:** Investment in staff through training and development remained a focal point this year. Staff continued to gain knowledge by assisting in the development of written policies and procedures on key supervision functions.

Staff members were also provided external NMLS and examiner-in-charge training to prepare them for processing registration applications and conducting examinations.

- **Supervision Activities:** In late 2024, the NCP program received its first CCFPL registration applications submitted through NMLS and began reviewing them in January 2025. Effective February 15, 2025, providers of debt settlement services, student debt relief services, education financing, and income-based advances will be required to hold a CCFPL registration to continue offering or providing these financial products and services to California residents. The program also issued its first notice and order using its authority under Financial Code section 90010 to conduct a billable special examination of a non-registered "covered person" subject to the CCFPL. Preliminary work on examination planning and scheduling for registrants and identifying additional targets for special examinations started this year and is anticipated to ramp up in 2025. The NCP program incorporated federal supervisory guidance when developing examination procedures to facilitate future collaboration with federal counterparts. In addition, providers of commercial financing to small businesses, family farms, and nonprofit organizations must submit annual reports electronically before March 15, 2025. The NCP program has enabled portal accounts and manually generated annual reports so commercial financing providers can make timely filings. In the fourth quarter of 2024, the NCP program experienced increased phone calls and email inquiries. The unit has dedicated staff to promptly respond to questions, working closely with the Legal Division to clarify complex matters for the public and registrants.

Research and Market Monitoring

The Market Monitoring, Consumer Research, Insights, and Analytics Unit (Research Team) continues to serve as the research arm of the DFPI that aids in consumer-focused, evidence-based policies. This unit is dedicated to expanding the research and data analytics capabilities of the Department. The Research Team spent much of the year co-leading the DFPI's strategic planning goal of establishing a data governance framework and best practices concerning data management and collection. This work is critical to ensure data quality, security, and compliance throughout the Department. In addition, they researched data analytics software that may enhance their work and stayed informed on advancements in artificial intelligence. The unit assisted in the creation of an employee survey to measure important workplace constructs with the goal of improving the work environment.

In collaboration with the Digital Financial Assets Law (DFAL) program, the Research Team analyzed data mandated to be provided to DFPI on crypto kiosk operators in California.

Their work provided internal insights on the top crypto kiosk operators in the state, and their most popular retailer and geographic locations. The Research Team also worked with the DFPI Student Loan Ombudsperson to analyze student loan complaints and inquiry data in preparing the 2023 Annual Report of the Student Loan Ombudsman required by the California Student Borrower Bill of Rights.

The Research Team launched a Consumer Financial Data and Research SharePoint to provide departmentwide access to comprehensive market monitoring and research insights. Information on the site includes:

- A description of the services offered, including the project intake form.
- A "Market Watch" page where DFPI programs can use market data to identify trends and consumer risks.
- Links to relevant external websites for market research.
- The interactive Complaint Dashboard to be used for complaint reporting.

Other work performed by the Research Team in 2024 include:

- Analyzed longitudinal data to identify trends in consumer behavior and risks in financial products and services that are subject to the CCFPL, such as income-based advances and home equity investment contacts (also known as "shared mortgage appreciation").
- Produced new dashboards to help the California Financing Law (CFL) examination team review and identify potential compliance issues in datasets obtained during examinations.
- Researched cybersecurity incident platforms for market monitoring purposes.
- Educated internal clients on the team's offerings through a "roadshow" that focused on the unit and its services.

Consumer Complaint Handling and Resolutions

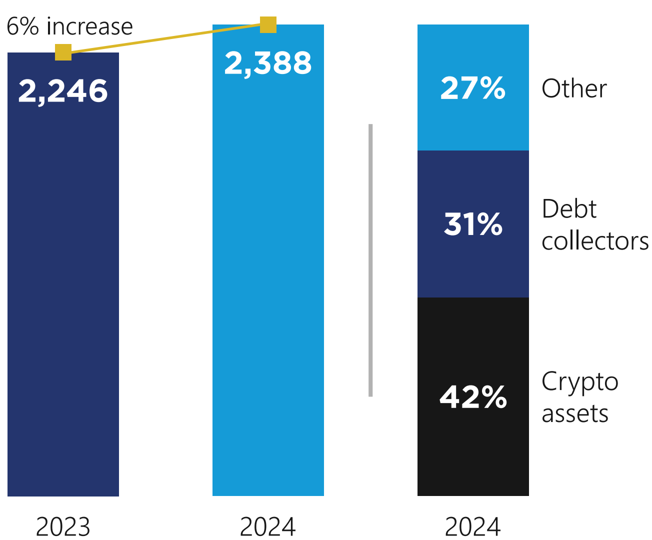
In 2024, the DFPI received 14,920 total complaints, approximately eight percent more than the 13,837 complaints received in 2023. Of these, 2,388 complaints were related to the California Consumer Financial Protection Law (CCFPL), a six percent increase from the 2,246 complaints received in 2023. The proportion of CCFPL-related complaints received remained consistent in 2024 accounting for 16 percent of all complaints received by the Department.

In 2024, complaints regarding crypto assets represented the highest volume of CCFPL-related complaints, at 42 percent (1,004 complaints). As in 2023, scams and fraudulent activity remain the most frequently reported type of crypto complaint. In 2024, the DFPI processed crypto asset complaints for 679 unique crypto asset subjects. Ten percent of all crypto asset complaints were against three subjects: Coinbase, Crypto.com, and Trage Technologies LTD.

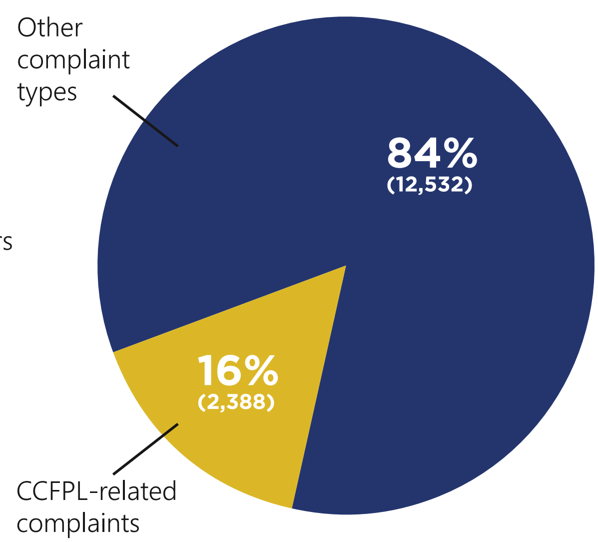
The second highest volume of CCFPL-related complaints received in 2024 were related to debt collection, accounting for 31 percent (729 complaints). These complaints were related to the following types of debt: credit card, medical, payday loans, auto, student loan servicing, judgments, mortgage, and other debt.

Additionally in 2024, nine percent (224 complaints) of all CCFPL-related complaints were against credit reporting agencies. This is a noteworthy increase from 2023, when credit reporting agency complaints accounted for only four percent (101 complaints) of all CCFPL-related complaints.

The DFPI received 250 student loan servicing (SLS) complaints in 2024, a 13 percent increase from the 221 complaints received in 2023. The Higher Education Loan Authority of the State of Missouri (MOHELA) was the subject of the most SLS-related complaints, at 41 percent of complaints received (103 complaints). The Consumer Services Office (CSO) continues to partner with the SLS program and the SLS Ombudsperson to obtain timely and complete responses from MOHELA; however, only about 22 percent of complaints sent to MOHELA that required a response in 2024 were answered by the company within the required timeframe.



CCFPL-Related Complaints



Total Complaints Recieved in 2024: 14,920

The self-service complaints portal on the DFPI website has been in successful operation since August 2023 and allows consumers to provide additional details related to their complaint and identify specific subjects and concerns. The portal also supports a unique user account allowing consumers to upload documents to their complaint and view a list with the status of any complaints they have filed electronically. CSO continues working with other DFPI programs to enhance and streamline the list of product and complaint types in the portal and will be working closely with the Digital Financial Assets Law (DFAL) program to develop the necessary fields and indicators in the portal needed to effectively identify specific information related to DFAL complaint types.

Office of Financial Technology Innovation

In 2024, the Office of Financial Technology Innovation (OFTI) continued its activities to support responsible innovation in financial services through its core functions of engagement, thought leadership, and coordination. OFTI continues to build and extend relationships with financial technology (fintech) stakeholders, deepen our thought leadership efforts, and strengthen coordination across the DFPI on emerging technologies.

Stakeholder Engagement

A core function of OFTI is to facilitate active engagement with stakeholders through office hours, events, and meetings. This work enables OFTI to better understand emerging financial products and services, identify risks and benefits to consumers, support responsible innovation, build relationships, and match stakeholders with resources.

Since its inception, OFTI has welcomed anyone interested in discussing responsible financial technology innovation in California. Over the course of 2024, OFTI hosted 109 meetings with external stakeholders to discuss emerging financial products and services. A diverse group of entrepreneurs, startups, and software providers requested meetings this year. Outcomes for participants often result in connections to DFPI resources.

OFTI's engagement strategy also includes hosting focused office hours sessions to gather diverse perspectives on specific themes. In 2024, OFTI hosted focused office hours on four different topics: 1) the use of emerging technologies to fight fraud, 2) venture capital investor perspectives on the state of fintech investing, 3) applications and products driven by data that increase financial inclusion, and 4) the status of bank-fintech partnerships. In addition to information gathering, office hours sessions allow OFTI to answer stakeholder questions and enhance OFTI staffers' knowledge of emerging technologies and the products they are enabling.

Thought Leadership

As financial service providers increasingly digitize their products and services to meet consumer demands, new risks and opportunities may arise for the entities the Department oversees. OFTI plays a strategic role in developing department expertise in emerging technology through sharing its research and engagement insights and hosting educational sessions with industry experts.

In 2024, OFTI hosted 12 internal educational events known as "Innovation Conversations." Innovation Conversations are optional educational sessions meant to inform DFPI staff about new developments in financial services and their impact on consumers and licensees. Notable topics included AI-enabled scams and fraud, dark patterns in consumer technology, and data governance in the age of artificial intelligence. OFTI also welcomed industry leaders to share their perspectives on the joys and challenges of being a fintech general counsel and creative approaches to banking-as-a-service.

OFTI staff remain sought after experts, appearing as featured speakers at 11 financial services events in 2024.

Cross-Organizational Coordination

OFTI plays an essential role in supporting, and in some instances, leading DFPI in taking a consistent, coordinated approach to emerging financial technology developments. In 2024, OFTI wrapped-up its cross-organizational internal effort focused on AI in financial services, with the efforts of the work groups folded into the DFPI 2024–2026 Strategic Plan. OFTI also supported the Department to better understand innovations related to banking-as-a-service, including conducting an internal survey of OFTI programs as well as hosting the banking-as-a-service office hours mentioned above. OFTI also works to help other DFPI programs and their licensees. For example, OFTI partnered with the Escrow and Mortgage Lending program (EMLO) to plan, develop, and present an educational webinar on cyber security best practices. The event was attended by more than 200 EMLO licensees.

Office of Public Affairs

In 2024, the Public Affairs Office focused on bolstering its consumer education and outreach programming, expanding the DFPI partnership network, and reaching more consumers through large-scale campaigns, earned media, and an optimized content strategy for DFPI digital channels.

Education and Outreach

The CCFPL established an Education and Outreach function to focus on specific targeted communities that have been historically underserved by the financial industry. DFPI's outreach strategy focuses on building and developing partnerships with nonprofits, community-based organizations (CBOs), and other government agencies to support and expand the reach of programming across the state, while also participating in and hosting events that would connect the Department to and engage with people of color (primarily Black and Latino), older adults, military Servicemembers and veterans, students, and new Americans/Immigrants.

For 2024, the Office of Public Affairs Targeted Outreach team hosted, presented in, or staffed resource tables for 291 in-person and virtual events, including 13 financial education webinars and four student loan webinars, reaching more than 35,000 Californians. The Targeted Outreach team also distributed more than 30,000 pieces of educational print materials to consumers, CBOs, and legislative partners. The most popular print material distributed was the DFPI's Protect Yourself from Fraud booklet, which was significantly redesigned, updated, and made easy to download and order through the DFPI's website.

Working closely with the DFPI Student Loan Servicing Ombudsperson, the DFPI conducted, hosted, or participated as a panelist in 26 in-person or virtual events and workshops focused on student loans. Additionally, the DFPI hosted the first-ever Student Loan Professional Development Series in San Diego on October 8-9. The conference brought together student loan professionals and advocates from across the nation, including representatives from the Department of Education's Office of Federal Student Aid (FSA), the Consumer Financial Protection Bureau (CFPB), and state Attorneys General offices.

Targeted Outreach event highlights from 2024 include:

- **Scam Alert Town Hall:** On May 1, 2024, the DFPI partnered with Assemblymember Jacqui Irwin (AD42), the United States Attorney's Office, and Department of Justice for a Scam Alert Town Hall Facebook Live event presenting information on the latest scams, namely imposter and investor scams. Attendees and registrants were mostly from the Ventura, Thousand Oaks, and Los Angeles.

- **San Francisco Public Library Tech Week:** On May 17, 2024, the Targeted Outreach team led a workshop as part of the San Francisco Public Library's Tech Week on how to protect yourself from A.I. scams and to be cautious with crypto assets. The workshop was so popular, the DFPI was asked to lead another workshop in October.
- **Senior Scam Seminar and Town Hall:** On July 31, 2024, the Targeted Outreach team was a featured speaker at Assemblymember Diane Dixon's (AD72) Senior Scam Seminar and Town Hall, providing information on trending scams to the Laguna Woods Village audience, a 55+ retirement community in Orange Coun-

ty. The presentation was recorded by Laguna Village Television for the Village YouTube channel and rebroadcasted on its TV6.

- **Protect Yourself from Fraud:** In October 2024, the Targeted Outreach team partnered with Assemblymember Diane Dixon (AD72) to provide a Protect Yourself from Fraud presentation at two locations in her district. More than 80 older adults attended to learn how they can protect themselves from financial fraud and scams. Throughout 2024, the Targeted Outreach team also provided Protect Yourself from Fraud presentations in four Senior Scam Stopper events in partnership with Assemblymember Cottie Petrie-Norris (AD73).
- **Partnering with the Mexican Consulate:** On December 17, 2024, the Targeted Outreach team was featured on a Facebook Live event hosted by the Health Education Council and the Sacramento Mexican Consulate titled *Protege tu dinero en esta temporada de vacaciones* (Protect Your Money During the Holidays).

Partnerships

For 2024, the DFPI's Office of Public Affairs continued to expand its partnership strategy centered on enhancing and deepening relationships with its network of nonprofit and community-based organizations statewide.

Key partnership activities included the development of the first regional chapter of the new California Coalition for Financial Empowerment in collaboration with the Federal Deposit Insurance Corporation (FDIC) in the southern San Joaquin Valley. This new community-led initiative brings together government agencies, financial institutions, nonprofit organizations, and community leaders to develop and implement collective solutions for consumer financial protection and inclusion challenges. The inaugural launch event took place on December 5, 2024, and welcomed 60 community leaders in conversation to cultivate financial empowerment and support unbanked and underbanked communities in the southern San Joaquin Valley.

The DFPI Financial Resource Fair hosted on October 5, 2024, in partnership with the City and County of San Francisco’s Office of Financial Empowerment, featured robust participation from notable organizations such as the U.S. Securities and Exchange Commission and the California Treasurer’s Office, along with 17 other government agencies, nonprofits, and financial institutions.

Other key outreach partnerships that were established in 2024 include:

- Homeownership OC
- Legal Assistance for Seniors (LASHICAP)
- The Institute of Student Loan Advisors (TISLA)
- Los Angeles County Library
- San Francisco Public Library
- Merced Office of Education
- Omatochi
- U.S. Federal Trade Commission (FTC)
- Volunteers of America Northern California & Northern Nevada

Marketing and Communications

The DFPI's digital marketing strategy continues to prioritize public education on enforcement actions, consumer education topics, and emerging financial products and services, and avoiding risks. The recent DFPI website relaunch has enhanced our ability to provide timely information to the public and increase engagement through both paid and organic media channels. The Office of Public Affairs remains dedicated to creating content that aligns with the public interest and supports consumer protection efforts and exploring new and innovative ways to connect with Californians through outreach, partnerships, and digital engagement. By leveraging available data, we aim to enhance the effectiveness of our communications across all channels.

The DFPI continues to expand upon CCFPL directives with its development of consumer education materials and resources. In 2024, DFPI posted 23 consumer insight articles on its website and consumer-focused newsletter. Content included a wide range of consumer-focused topics, including personal finance, managing debt, student loans, emerging financial products, and staying safe from financial fraud and scams.

In 2024, DFPI issued five media releases pertaining directly to its CCFPL authority. A major release was issued on April 25, 2024, highlighting expanded enforcement, consumer complaints and Department rulemaking under the CCFPL.

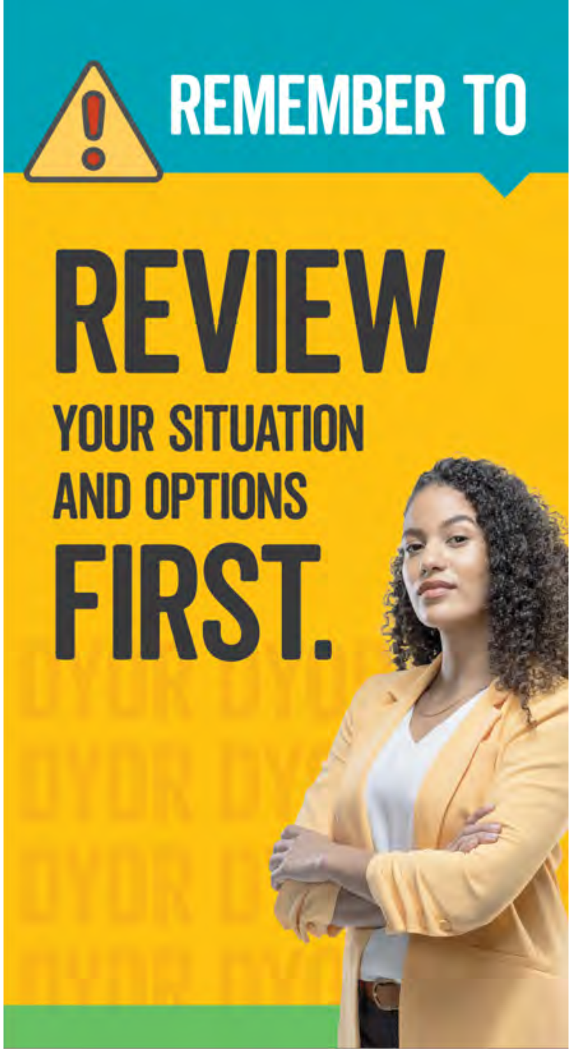
Campaigns

California Consumer Campaign: In 2024, the Office of Public Affairs continued its a statewide outreach and education campaign which began in 2023. The campaign aimed to raise awareness of the DFPI and its role in securing the financial marketplace, protecting California consumers from emerging financial risks and fraudulent activity, and informing targeted populations of their rights and available resolution options. The paid media campaign continued through May 2024 and generated nearly 130 million impressions, over 29 million video views, and 971,000 clicks in 2024 alone. Digital advertising also fueled more than 563,000 active website sessions. In the final five months of the campaign, we developed and launched new creative assets, including a new street interview style series ("Real People Chats") and influencer content. View samples on DFPI channels:

- Real People Chat: Submit a Complaint with the DFPI (YouTube)
- Real People Chat: Have You Been Targeted by Scams? (YouTube)
- Influencer: The Buy Now, Pay Later Trap (Instagram)
- Influencer: 3 Things to Never Do with Scammers (Instagram)

Investor Center: In May 2024, the DFPI launched the Investor Center, a website dedicated to promoting financial literacy, investor educational resources, and collaborative partnership with nonprofits, educators, and community-based organizations. Funded by a total of $469,500 in grants from the Investor Protection Trust (IPT), the site currently has a total of approximately 40,000 page views.

The DFPI also hosted two webinars to promote



the Investor Center launch and its resources, welcoming 96 attendees. One of these webinars was published to the DFPI's YouTube channel and has nearly 200 views.

Website

Total users visiting the DFPI website increased by 39 percent from 2,320,281 in 2023 to 2,934,199 in 2024. Multiple factors drove this continued upward trend, including the Department's communications and outreach efforts and an increase in Google searches for "crypto scams" and the resulting increased traffic to the Crypto Scam Tracker. Statewide communications campaigns drove significant traffic to resources and information on the DFPI website, including approximately 694,000 total webpage views.

In November 2024 the DFPI launched a redesigned and reimagined public-facing website. With a focus on prioritizing user-centered communications, the new website includes improved navigation and enhanced search capability and will support more dynamic content development. The new website will continue to influence public engagement in the following ways:

CA.gov

Translate Settings

DFPI DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION

Search any financial topic or provider

HOME | CONSUMERS | REGULATED INDUSTRIES | RULES & ENFORCEMENT | NEWS | ABOUT | SUBMIT A COMPLAINT

Crypto Scam Tracker

The Crypto Scam Tracker is a database that is searchable by company name, scam type, or keywords to learn more about the crypto specific complaints the DFPI has received. An accompanying glossary aims to help consumers better understand common scams. As reports of new crypto scams emerge, the DFPI will continually update this tracker to promptly alert and protect the public.

LEARN MORE

Submit a Complaint

Subscribe to DFPI

Explore Regulated Industries

How We Protect Consumers

Consumer Education

We provide information and resources to give consumers the tools to make smart financial decisions. Learn about your rights as a borrower and plan for the future.

Explore consumer topics

Regulation

We regulate a wide variety of financial services, products, and professionals in California. In 2020, our mission broadened to include emerging markets and financial innovations.

How we regulate

Enforcement

Violators are held responsible through actions, orders, and administrative hearings. We also publish consumer alerts to alert the public to fraudulent activity.

How we enforce the law

- Increasing visibility of publications through posting 19 press releases, 16 consumer alerts, and 33 consumer insights articles published in 2024.
- Sustaining web accessibility compliance by remediating more than 900 documents remediated in 2024.
- Expanding financial education throughout the state.
- Conducting proactive communications with stakeholders.
- Cultivating a deep knowledge of emerging products and services through early engagement with innovators, investors, and other stakeholders.
- Producing actionable website data metrics.

Social Media

In 2024, the DFPI social media strategy prioritized growing our consumer following and crafting compelling content to boost engagement. These efforts led to a 23 percent increase in followers across all social media platforms. Our content-rich approach, consumer-focused campaigns, and greater emphasis on video led to an impressive 83 percent rise in views on the DFPI's YouTube channel, increasing from 988,100 in 2023 to 1,800,000 in 2024. DFPI remains committed to fostering interactive communication, providing real-time support to consumers, and using data-driven strategies to help Californians navigate financial challenges.

Going forward, we will continue to raise public awareness, build trust and loyalty, increase reach and engagement, and advance our economic mobility agenda.

Public Affairs by the Numbers

Activities	2021	2022	2023	2024
Campaigns: Impressions/Circulation	N/A	175,684,362	196,000,000	127,252,568
Outreach Events: Attendance	17,378	105,000	29,000	35,000
Consumer Connection Newsletter: Subscribers	640	2,710	2,881	5,853
Website: Total Users	593,517	1,049,421	2,320,281	2,934,199

Conclusion

The DFPI experienced significant growth and progress in its fourth year of implementing the CCFPL. The DFPI is grateful for the continued partnership with the Legislature as we move forward in implementing the CCFPL and new statutory authorities that further our consumer protection mission.

The DFPI continues to implement the CCFPL through rulemaking, enforcement, complaint handling, market research, proactive stakeholder outreach and communications, recruitment, and hiring to enhance the operations and effectiveness of the DFPI.

The adoption of formal regulations for the oversight of previous unregulated companies will allow the Department to begin overseeing additional sectors of the State's financial services marketplace.

The market research functionality of the DFPI will continue to expand as it develops in-house and collaborative research projects related to emerging financial services and products.

The Office of Financial Technology Innovation will continue to reach out to entrepreneurs, business innovators, and academics to facilitate the Department's monitoring and response to breakthroughs in financial services.

The Department expects continued success in effectively carrying out the mandate of the CCFPL to protect consumers and foster responsible financial innovation in California.

DFPI

DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION

California Department of Financial Protection and Innovation
Toll-Free: (866) 275-2677
Online: www.dfpi.ca.gov