



January 11, 2024

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**To:** Clients and Friends

**From:** Daniel S. Engle

**Subject:** CFPB Announces Civil Penalty Inflation Adjustments

On January 11, 2024, the Bureau of Consumer Financial Protection (CFPB) announced its inflation adjustments for the maximum amount of the civil penalties within its jurisdiction. These inflation adjustments are mandated by federal law and require federal agencies to adjust civil penalties within each agency's particular jurisdiction. Civil penalties are increased by a cost-of-living adjustment based on any annual percentage increase in the Consumer Price Index for all Urban Consumers (CPI-U).

For 2024, the 2023 maximum penalties will be increased by a 1.03241 multiplier to reflect the increase in the CPI-U. The new maximum penalty amounts will take effect on January 15, 2024. A table listing the updated maximum penalty amounts under the CFPB's jurisdiction is on the next page.

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<b>Law</b>	<b>Penalty Description</b>	<b>New Maximum Penalty</b>
Consumer Financial Protection Act, 12 U.S.C. 5565(c)(2)(A)	Tier 1 Penalty	\$7,034
Consumer Financial Protection Act, 12 U.S.C. 5565(c)(2)(B)	Tier 2 Penalty	\$35,169
Consumer Financial Protection Act, 12 U.S.C. 5565(c)(2)(C)	Tier 3 Penalty	\$1,406,728
Interstate Land Sales Full Disclosure Act, 15 U.S.C. 1717a(a)(2)	Per Violation	\$2,451
Interstate Land Sales Full Disclosure Act, 15 U.S.C. 1717a(a)(2)	Annual Cap	\$2,449,575
Real Estate Settlement Procedures Act, 12 U.S.C. 2609(d)(1)	Per Failure	\$115
Real Estate Settlement Procedures Act, 12 U.S.C. 2609(d)(1)	Annual Cap	\$230,464
Real Estate Settlement Procedures Act, 12 U.S.C. 2609(d)(2)(A)	Per Failure, Where Intentional	\$230
SAFE Act, 12 U.S.C. 5113(d)(2)	Per Violation	\$35,516
Truth in Lending Act, 15 U.S.C. 1639e(k)(1)	First Violation	\$14,069
Truth in Lending Act, 15 U.S.C. 1639e(k)(2)	Subsequent Violations	\$28,135