

CFPB Takes Action Against 'Bad Check' Debt Collector

The Consumer Financial Protection Bureau (CFPB) has announced an enforcement action against a nationwide debt collection operation and its chief executive officer for allegedly using deceptive threats of criminal prosecution and jail time in order to intimidate consumers into paying debts for bounced checks, reports the Consumer Financial Protection Bureau.

The company also misled consumers into believing that they must enroll in a costly financial education program to avoid criminal charges, according to the action.

"The proposed order, if approved by a federal district court, would put an end to the illegal activities, impose a civil money penalty of \$50,000, and require new consumer disclosures and stronger oversight of the bounced check program," the CFPB reports.

[Read the story.](#)