



**National
Urban League**

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*Empowering Communities.
Changing Lives.*

Honorable U.S. House Representative

Dear Representative,

I write today to urge you to vote against the Financial Choice Act (better known, as the Wrong Choice Act). The Wrong Choice Act is a misguided attempt to repeal the Dodd-Frank Act, the landmark financial reform legislation that was enacted to protect American consumers from the excesses that caused the financial crisis, less than 10 years ago. Introduced by Jeb Hensarling, Chairman of the House Financial Services Committee, the Wrong Choice Act virtually wipes away all of the consumer protections established by Dodd-Frank, including weakening the effectiveness of the lauded Consumer Financial Protection Bureau. The CFPB is a strong watchdog and a zealous advocate for the American people with a proven track-record of success. I oppose any efforts to dismantle Dodd-Frank and the CFPB, especially those based on ideologies not grounded in truth.

I have proudly served as the President and CEO of the National Urban League for nearly 15 years. The National Urban League is a historic civil rights organization focused on economic empowerment for communities of color. We have 88 affiliates in 36 states and the District of Columbia that provide direct services to 2 million people annually. We provide workforce training, afterschool programs, healthcare assistance, and housing counseling, among other impactful services to help lift-up the community. We saw and experienced firsthand the impact of lax federal regulations and the horrors of the financial crisis, which is why we supported the passage of Dodd-Frank and fiercely oppose any efforts to dismantle it.

As you know, African Americans suffered the brunt of the financial crisis. Twenty-five percent of the homes that were in foreclosure or deeply underwater during and after the crisis were owned by African Americans. Consequently, fifty percent of African Americans' wealth was wiped out through no fault of their own, in most cases. Irresponsible borrowers did not cause the financial crisis; irresponsible products caused the crisis. Lenders steered African Americans into predatory products that they knew could not be repaid. Several mainstream banks were sued for reverse redlining, blatant housing discrimination of African Americans that helped caused the financial crisis.



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Dodd-Frank was enacted to counter these excesses. There was broad consensus that Wall Street had to be reigned-in to protect American Consumers and to reenergize the American economy. The CFPB was created to fight on behalf of consumers and to ensure another financial crisis of the kind and scope that created the Great Recession never happened again. It consolidated the departments of the 7 federal financial agencies with consumer protection authority, under one roof. The agency's budget was funded through the Federal Reserve and not the appropriations process to ensure it could live out its mission: "to provide a single point of accountability for enforcing federal consumer financial laws and protecting consumers in the financial marketplace," no matter the political climate.

Since its inception, the CFPB has proven its effectiveness as the nation's top consumer protection watchdog. The CFPB promulgated the Qualified Mortgage rule and the Mortgage Servicing rule, which helped regulate the industry and ensure that subprime mortgages and the foreclosures that resulted would never happen again. Lenders can no longer offer mortgages without full documentation or charge excessive points and fees and servicers have to ensure borrowers are not forced into foreclosure. Banks cannot engage in redlining activities and other financial products in the market have to have consumers' wellbeing in mind. The CFPB has returned more than \$12 billion to approximately 30 million aggrieved American consumers as a result.

The CFPB's success has not hurt financial markets; it helped increase confidence in the market. Several studies have made this clear. Chairman Hensarling's effort to weaken Dodd-Frank and the CFPB through the Wrong Choice Act is a deliberate attempt to bolster Wall Street to the detriment of Main Street. Opposition to Dodd-Frank and the CFPB is grounded in false ideology and will hurt American consumers. I urge you to oppose the Wrong Choice Act.

Best regards,

Marc Morial
President and CEO
National Urban League