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### **AFR Statement on House Financial Services Subcommittee Hearing on Proposals To Weaken CFPB**

**Washington, DC** - Americans for Financial Reform, a coalition of more than 250 national and state organizations working together for strong Wall Street reform, issued the following statement today:

The Consumer Financial Protection Bureau (CFPB) was created in the wake of a historic recession caused by abusive Wall Street bank practices because we need a cop on the beat standing up for consumers in the financial marketplace. If accepted, any or all of the four proposed bills being considered at a House Financial Services hearing on Wednesday would weaken the Consumer Bureau, prevent it from doing its job and instead serve the interests of Wall Street.

The proposals would replace the CFPB director with a commission, (HR 1121, Bachus, R-AL), gut the bureau's authority by making it easy for the other bank regulators to overturn its actions (HR 1315, Duffy, R-WI), limit the authority of the CFPB, and delay the July 21 transfer date of powers to the CFPB until a director is confirmed by the Senate.

With more than 13.5 million Americans still out of work, the high cost of failing to establish fair and reasonable rules of the road for the financial sector is devastatingly clear. Unfair and reckless conduct by financial special interests cost Americans more than 8 million jobs, hundreds of billions in taxpayer funded bailouts, more than \$8 trillion lost in home values and retirement savings, and millions of foreclosures.

The American public wants and needs an effective Consumer Bureau to prevent rip-off financial products laden with tricks, traps, and hidden fees. Abusive financial products take tens of billions of dollars a year out of our pockets, sending them to feed the inflated bonuses of a handful of Wall Street CEOs.

The leadership of the House Financial Services Committee has made no secret of the fact that they oppose the CFPB. For example, Rep. Neugebauer, chairman of the subcommittee on Investigations and Oversight, said directly, "I don't like them." Chairman Bachus said "my view is that Washington and the regulators are there to serve the banks." It certainly serves the financial special interests to disarm the CFPB.

The American public wants an end to shady business practices, and overwhelmingly supports the CFPB and Wall Street reform. Members of Congress should stand with consumers and reject these proposals to weaken the CFPB.

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