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# AMERICANS FOR FINANCIAL REFORM

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## **AFR Statement on House Financial Services Committee June 10 Markup**

The House Financial Services Committee will meet today to mark up a set of bills that would, in various ways, to impede the work of the Consumer Financial Protection Bureau.

In the past, the committee has backed proposals that would have sharply reduced the Bureau's funding, authority, and political independence. These latest measures – bearing such mind-numbing titles as “The Bureau Research Transparency Act” and “The CFPB Data Collection Security Act” – represent a tactical shift on the part of financial-industry lobbyists and industry-friendly lawmakers; disappointed with the results of their earlier, more heavy-handed approach, they seem to have settled on a strategy of “death by a thousand cuts.”

For more on the individual measures and what they would do, see AFR's June 10<sup>th</sup> [letter to House members](#).

Proponents of these bills claim to be motivated by concerns about “transparency and accountability.” But evidence of the problems they claim to see is lacking, and their brand of oversight is one in which the deck is continually stacked against the agency and its mission.

Today's House markup coincides with a hearing of the Senate Committee on Banking, Housing, and Urban Affairs, which is likely to actually consider the CFPB's accomplishments, challenges, and tasks ahead in making consumer finance markets safer and fairer.

The CFPB has, in less than three years (among other things): issued rules against deceptive and unaffordable mortgage loans; shut down “last dollar” scams that squeeze money from desperate borrowers in return for help that is never delivered; established a complaint system that is giving people a place to be heard and seek relief when they have been treated unfairly; and delivered nearly \$2 billion in consumer refunds for the sale of worthless and deceptive credit-card add-on products, unfair mortgage servicing practices, auto loan pricing discrimination, and an array of scams directed at members of the military and their families.

Most people support the idea of a regulatory agency charged with policing rules of fair play in the consumer finance markets. By wide margins, Americans advocate tougher regulation of Wall Street across the board. Amongst many at the House Financial Services Committee, however, a different view seems to have taken hold. They appear

to see a threat , not from abusive financial-industry practices, but from regulators beginning to do something about them.

The CFPB bills on the committee's agenda today are part of a larger deregulatory package of legislation being considered by the Committee. This package also includes bills that would undermine the work of the new Financial Stability Oversight Council, which is charged with preventing another financial crisis like the disastrous 2008 financial collapse, and other bills that would erode investor protections in our securities markets.

For more on the individual measures and what they would do, see AFR's June 10<sup>th</sup> letters on [reforms to FSOC](#) and [legislation that would reduce investor protections](#).

The good news is that these measures are not likely to get any traction in the Senate. Perhaps, in time, some of their House proponents will reconsider a deregulatory crusade that is setting them increasingly at odds with the the interests of their constituents.