



POLICY & ACTION FROM CONSUMER REPORTS

April 26, 2017

Honorable Jeb Hensarling
Chairman
House Financial Services Committee
2119 Rayburn HOB
Washington, D.C. 20510

Honorable Maxine Waters
Ranking Member
House Financial Services Committee
4340 O'Neill FOB
Washington, D.C. 20510

Dear Chairman Hensarling and Ranking Member Waters,

Consumers Union Strongly Opposes the “Financial CHOICE Act” -- The
WRONG CHOICE for Consumers

Consumers Union, the policy and mobilization arm of Consumer Reports, writes to express our strong opposition to the recently introduced Financial CHOICE Act, a bill that is the wrong choice for consumers. The bill would significantly undermine the Consumer Financial Protection Bureau’s ability to carry out its mission and leave consumers vulnerable to financial scams and rip-offs.

The CFPB has a proven track record of being a strong and effective financial watchdog. Its thorough, thoughtful approach to oversight has resulted in greater transparency and safer financial products. Its rulemaking is fair, balanced and inclusive. The record shows that consumers are better equipped to make financial decisions because of the CFPB’s financial literacy campaigns, and can get help resolving problems they’ve encountered in the marketplace. Since opening its doors in 2011, the CFPB has handled over 1 million consumer complaints. The CFPB’s enforcement actions have returned approximately \$12 billion to nearly 30 million consumers who have been harmed by illegal practices.

Many of the provisions in the Financial CHOICE Act are specifically designed to weaken the Consumer Financial Protection Bureau’s structure, its mission and its regulatory reach. We vigorously oppose provisions that would change the CFPB’s structure by enabling the President to remove the Bureau’s director and deputy director “at will” rather than “for cause” as currently required and subjecting the Bureau’s budget to the appropriations process. Both would unduly politicize the Bureau and expose it to unwarranted attacks by those determined to undermine its mission. We further oppose provisions that would eliminate the bureau’s UDAAP (unsafe, deceptive, or abusive acts and practices) and supervisory authority, and provisions that would severely limit the Bureau’s enforcement powers. The bill weakens the CFPB even further by barring it from conducting education campaigns to help consumers make more informed financial decisions and by eliminating its public complaint database.



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The Financial CHOICE Act would leave consumers vulnerable to financial scams and rip-offs, undermine market stability and threaten our economic well-being. We respectfully urge you to oppose this anti-consumer legislation – the WRONG CHOICE for consumers.

Sincerely,

Pamela Banks
Senior Policy Counsel
Consumers Union

cc: House Financial Services Committee