Testimony of Edmund Mierzwinski,

U.S. PIRG Consumer Program Director

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at a hearing entitled "Legislative Proposals to Improve Transparency and Accountability at the CFPB"

Wednesday, May 21, 2014

Before the Subcommittee on Financial Institutions and Consumer Credit

House Committee on Financial Services

The Honorable Shelley Moore Capito, Chair

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Chair Capito, Representative Meeks and members of the committee:

Thank you for the opportunity to testify before the subcommittee on oversight of the Consumer Financial Protection Bureau. My testimony today is on behalf of the U.S. Public Interest Research Group. U.S. PIRG serves as the non-profit, non-partisan federation of state Public Interest Research Groups. The state PIRGs are public interest advocacy organizations that take on powerful interests on behalf of their members.

Summary:

We appreciate the committee's authority and responsibility to conduct oversight of the CFPB but after careful review we see no need for any of these 11 proposals before the committee to be considered any further. We urge their rejection.

None are necessary to protect consumers; none provide any necessary oversight function. Some roll back important authorities of the CFPB, especially its authority to ban or regulate the egregious practice of forced arbitration, a growing practice which has immunized corporate wrongdoing by making it impossible for consumers to obtain redress for harms. Others will subject the bureau to enormous regulatory burden and possible litigation risk, which will concomitantly increase the cost of government.

Further, these bills generally impose heightened requirements that are unique to the bureau, rather than imposing them all equally on all financial regulators. Instead of enacting these bills, we would urge the committee to more carefully review and credit the CFPB for its many successes. For example, the CFPB has recovered $1.5 billion for consumers in unfair credit card add-on fees and, working with other regulators, it has recovered an addition $2 billion for consumers based on mortgage market and other unfair practices. It has protected veterans from for-profit trade school scams and created a variety of tools for consumers, from students to older Americans, to help themselves avoid financial pitfalls.

Yet if these bills, and the already-House-passed HR 3193, the "Consumer Financial Freedom and Washington Accountability Act" rolling back the CFPB's independence and funding in a variety of ways, were to become law, financial markets could return to the abysmal conditions consumer faced prior to the 2008 financial collapse that led to a lingering recession that harmed consumers, communities and responsible businesses.

The CFPB is a work in progress. It is less than three years old, still growing and going through growing pains. But in addition to a variety of significant achievements in making markets work, it has also demonstrated an ability, as it did this week in response to both the employee compensation/evaluation and the FACA issues which the committee's oversight had helped illuminate, to respond quickly and properly to any legitimate identified problems. It should be allowed to stay on the job without burdensome, unnecessary new rules.

Introduction:

Last week, at the Federal Reserve Bank of Chicago, CFPB director Richard Cordray gave what many think was an important speech describing how the CFPB is working to protect consumers and make markets work.[1] We concur with his analysis.

> "We have been charged by Congress to assure that the markets for all of these consumer financial products are fair, transparent, and competitive. We expect a marketplace where companies are honest and clear so that consumers know the key terms and conditions of financial products up front, including pricing. We expect a marketplace where quality customer service is standard. And we expect a marketplace where financial products are designed to help consumers, not harm them."

His concluding remarks again point to the goal of making markets work:

> "Let me conclude by saying that good regulation is not about impeding market forces; it is about channeling those forces to make the marketplace work better. Good regulation supports strong markets that are more likely to deliver value to consumers over time."

The extant bills are not required in response to any problem. They will make it harder for the CFPB to do its job without any added benefit. That will harm consumers, communities, responsible businesses and the economy.

The CFPB is doing a good job. To paraphrase the late environmentalist Edward Abbey, the idea of the CFPB needs no defense, only more defenders.

Discussion of the proposals (in the order provided in the committee hearing memorandum).

Here are our comments on each of the bills. *Italicized matter* is from the committee summary.

H.R. 3389, the CFPB Slush Fund Elimination Act of 2013

> *"Introduced by Chairman Capito, the CFPB Slush Fund Elimination Act eliminates the Bureau's Civil Penalty Fund and requires the CFPB to remit fines it collects to the U.S. Treasury."*

We oppose this bill on the merits. We are also disappointed in the pejorative title of this bill. In our view, because the CFPB was established as a remedial agency, it should have broad authority to right wrongs and make markets work. The civil penalty fund's structure and work is based on a rulemaking. The civil penalty fund's activities are very narrow and clearly statutorily based. It is appropriate for a remedial agency to have both independent funding and control of additional monies to use for special remedial purposes directly related to its Congressional mandate.

The primary goal, consumer restitution, is being met. The fund is intended to help consumers who were harmed by bankrupt entities. The bureau has provided over $13 million in funds to over 4,000 consumers who were harmed by alleged fraudsters with no available assets, including, for example, Chance Gordon and Payday Solutions.[2] The bureau helped their victims by using the funds collected in penalties from other, more deep-

[1] http://www.consumerfinance.gov/newsroom/prepared-remarks-of-cfpb-director-richard-cordray-at-the-federal-reserve-bank-of-chicago-2/

[2] http://www.consumerfinance.gov/budget/civil-penalty-fund/

pocketed alleged violators. This is a positive outcome. Financial fraud is stopped; violators are punished; victims are made whole.

Further, it is entirely appropriate to have a secondary use for additional funds if available after victims have been made whole. Financial literacy is a task given the CFPB by Congress. To date, $13.38 million has been allocated from the Civil Penalty Fund, but not yet spent, for use to help selected military families and veterans and persons at economic risk for with these financial literacy programs. The CFPB was wise to pick populations at high risk of financial fraud. Again, not only were the funds targeted to achieve a priority task of the CFPB, they were targeted to help vulnerable populations that the Congress specifically mandated the CFPB to assist.

Further, this fund is not unique. The U.S. Department of Justice has a crime victim fund that it controls. The National Mortgage Settlement and some state Attorneys General offices may maintain similar, if not identical, funds. Passage of this bill will make it harder for CFPB to protect vulnerable, targeted populations, including military widows and widowers and others. We urge its rejection.

H.R. 3770, the CFPB-IG Act of 2013

> *Introduced by Representative Stivers, the CFPB-IG Act would create a separate, independent inspector general for the CFPB. The CFPB currently shares an inspector general with the Federal Reserve System.*

A review of the current Inspector General's detailed workplan for CFPB oversight shows that this proposed bill is unnecessary and should be opposed.[3] The IG has completed, is conducting and has planned a variety of CFPB oversight functions.

Further, as noted in letters to Congress in the past and in an October 2013 letter[4] to the Bipartisan Policy Center, the current IG has repeatedly stated it has the authority, resources and independence to conduct its CFPB oversight activities. In its letter to the BPC, an organization that had issued a report recommending, among other things, a separate IG for the CFPB, the IG highlighted a variety of mistakes in the group's analysis:

> "Contrary to your statement, I can assure you that our office does have the full audit, investigative, and reporting powers, including law enforcement authority, that are afforded to Inspectors General (IGs) under the IG Act of 1978, as amended. […] Notably, the Dodd-Frank Act ensured that our office has "all of the authorities and responsibilities provided by [the Inspector General] Act with respect to the Bureau of Consumer Financial Protection […]
>
> The Dodd-Frank Act also gave our office significant independence with respect to the CFPB. Specifically, the authority to designate an IG for the Board and the CFPB resides with the Chairman of the Federal Reserve Board, not the CFPB Director.[…]
>
> To state that we lack authorities granted to other IGs is incorrect and unfounded. As the IG for the CFPB, I can assure you that our office is well positioned to continue providing the vigorous CFPB oversight that Congress is seeking. **We believe, therefore, that a correction should be made to your report regarding your interpretation of our authorities, which serves as the basis for your recommendation that a separate IG be designated for the CFPB."** *(Emphasis added)*

[3] http://www.federalreserve.gov/oig/files/OIG_Work_Plan.pdf

[4] Letter of 3 October 2013 from Inspector General Mark Bialek to Rick Fischer and Eric Rodriguez of the Bipartisan Policy Center, on file with the author.

H.R. 4262, the Bureau Advisory Commission Transparency Act

> *Introduced by Representative Duffy, the CFPB Advisory Commission Transparency Act clarifies that the Federal Advisory Committee Act (Pub. L. No. 92-463) applies to the CFPB.*

Just yesterday, the Bureau increased its longstanding voluntary compliance with FACA even further[5]

> To provide more transparency and to be responsive to the requests we've received, we're changing the format of our Board and Council meetings and opening these full meetings to the public. Starting with our June 18th meeting, the public may attend or watch the livestream of the full Consumer Advisory Board and Council meetings, the same way most other agencies allow under the Federal Advisory Committee Act.

These are positive steps to achieve what may be the major goal of sponsors of HR 4262. But we still believe that placing all the CFPB's advisory panels under the full requirements of the FACA would leave the CFPB no flexibility. This may work against some of the CFPB's other public policy goals, so we oppose the bill.

The CFPB is required by law to consider the needs of small business in developing any rules. Its statutory requirement is to consider those needs in temporary Small Business Review Panels that are established before Administrative Procedures Act rulemakings begin. The procedure, which only 3 agencies -- CFPB, EPA and OSHA -- are subject to, is designed to give small businesses a right to help develop proposed rules, before they are proposed. While FACA transparency and public participation requirements may not directly apply to the SBRPs, the benefits of this "sneak peak" for small business, an important opportunity for them to discuss their concerns before others get involved, would be at a minimum, diluted.

Further, as another unintended consequence, the bill could have a chilling effect on the ability of the Academic Research Council to do its work. Will CFPB economists still share preliminary methods and ideas with the academics who are supposed to help them refine those ideas if all meetings were fully public? Conversely, would the academics share their own research methods and comments with the CFPB if they knew that deliberations would be fully public? Preliminary research concerns should not be discussed in public meetings.

So, since the CFPB already voluntarily complies with much of the FACA wherever possible, and because complying with it in all circumstances could harm other important public policy goals of the bureau, the bill should be rejected.

H.R. 4383, the Bureau of Consumer Financial Protection Small Business Advisory Board Act

> *Introduced by Representative Pittenger, the Bureau of Consumer Financial Protection Small Business Advisory Board Act creates a small business advisory board at the CFPB.*

The CFPB's largest advisory board, the statutory Consumer Advisory Board, is already a multi stakeholder board comprised of a variety of members. It includes the views of financial firms. The CFPB already also has created community bank and credit union advisory councils to assure a deeper understanding of their business models. As above, the bureau also establishes Small Business Review Panels as required by law. It also has an Office of Financial Institutions and Business Liaison.

[5] http://www.consumerfinance.gov/blog/our-board-and-council-meetings-are-changing/

Creating yet another council or panel would be unwieldy and redundant. Further, if the FACA proposal above were to also apply, how would this bill's result square with FACA itself, which states:[6]

> 2. Findings and Purpose:
> (b) (2) new advisory committees should be established only when they are determined to be essential and their number should be kept to the minimum necessary;

Again, the bill is redundant and counterproductive and should not pass.

H.R. 4539, the Bureau Research Transparency Act

> *Introduced by Representative Fitzpatrick, the Bureau Research Transparency Act requires that CFPB research papers made available to the public be accompanied by all studies, data, and analyses on which the paper was based.*

This bill is very problematic. By requiring that any research paper issued by the bureau be accompanied by "all studies, data and other analyses on which the paper was based," the Congress would be dooming the bureau to analysis-paralysis and impossible-to-comply-with demands. Already, the Data Quality Act[7] provides safeguards for data integrity. So, this bill is redundant. It could also violate contracts with vendors and other channels from which CFPB receives data. As written, it appears that it would also violate the confidentiality of supervisory results. Further, if staff tested a variety of research models, would all of them need to be released?

The bureau already describes all its analyses. That's an adequate requirement. This burdensome, unclear bill should be rejected.

H.R. 4604, the CFPB Data Collection Security Act

> *Introduced by Representative Westmoreland, the CFPB Data Collection Security Act requires the CFPB to create an opt-out list for consumers who do not want the CFPB to collect personally identifiable information about them and to delete or destroy information about a particular consumer within a specified period of time following collection. It further requires CFPB employees accessing personally identifiable information about consumers to hold a 'confidential' security clearance.*

Last July, in detailed testimony[8] delivered before this subcommittee, CFPB Deputy Director Steve Antonakes stated that:

> "The Bureau collects and studies data in order to protect consumers throughout the United States in accordance with its statutory mandate, not to study any particular individuals."

As we understand it, the CFPB rarely collects Personally Identifiable Information (PII) unless it is voluntarily collected (with affirmative consent), for example, through the Public Consumer Complaint Database. The bureau collects much of its data from commercial vendors. Those data do not include PII. Data from other third parties do

[6] http://www.gpo.gov/fdsys/pkg/USCODE-2012-title5/html/USCODE-2012-title5-app-federalad-sec2.htm
[7] We merely point out that the Data Quality Act (implemented in 2002) already provides adequate coverage of any possible concerns sought by the pending legislation. This is not, however, an endorsement of the DQA. Its problematic provisions are discussed here by the Center for Effective Government: http://www.foreffectivegov.org/node/3479
[8] http://www.consumerfinance.gov/newsroom/steven-antonakes-before-the-house-committee-on-financial-services/

not include PII unless it is supervisory information that is already confidential. Passage of this bill would impede the bureau from collecting data, making it harder to do its job of handling consumer complaints, regulating financial firms and monitoring financial markets.

Problematic and costly would be the bill's requirement that the bureau create an opt-out right for consumers. But since the bureau either collects PII under an opt-in system, or on a confidential supervisory basis, to which consumers would the new opt-out be intended to apply?

Regarding the privacy breaches provision, the bureau already has an emergency response plan based on OMB requirements for all government agencies. That plan and the myriad other ways that the CFPB protects all data, including PII, are described in the Bureau's Privacy Impact Assessment, updated in December 2013.[9]

Further, the proposed bill states that the bureau is prohibited from collecting data without a confirmed director. If Director Cordray were to leave, would the bureau have to shut down all of its processes involving data collection until a new director is confirmed?

Further, the bill imposes security clearance requirements on any employee who handles PII, a requirement normally imposed for national security information. To the best of my knowledge, no other agency requires all employees who handle PII to have such a confidential clearance, although I have not had time to conduct a detailed review.

H.R. 4662, the Bureau Advisory Opinion Act

> *Introduced by Representative Posey, the Bureau Advisory Opinion Act establishes a process by which covered persons can submit inquiries concerning the conformance of prospective products and services with Federal consumer financial law and receive a confidential opinion from the Director.*

While some agencies have exercised their discretion to provide limited advisory committee processes in limited circumstances, I am unaware of any circumstance where Congress has mandated such a burdensome requirement as the Bureau Advisory Opinion Act. The bill raises serious concerns. It could significantly hamper supervision by tying up scarce resources.

Suppose there were allegedly conflicting opinions and one company sued to overturn its perceived disadvantage? That could result in endless, costly litigation. Further, were the bill to pass, its overbroad FOIA exemption provisions should be eliminated. We oppose the bill.

[9] **www.consumerfinance.gov/f/201312_cfpb_pia_admin-data-research.pdf**

Discussion Draft of the "Bureau Arbitration Fairness Act"

> *Representative McHenry's discussion draft of the Bureau Arbitration Fairness Act would repeal the CFPB's authority to prohibit, condition, or limit the use of arbitration provisions in contracts for consumer financial products or services.*

First, this bill should not be confused with the actual "Arbitration Fairness Act" (Johnson-GA),[10] HR 1844, which we support and would effectively ban forced (pre-dispute) arbitration in all consumer, worker and small business contracts by law. However, the 2010 Congress, in its wisdom, recognizing the importance of righting wrongs in the financial marketplace, also granted the CFPB (and the SEC for investors) the right to ban arbitration in certain financial contracts, due to the importance of the reform and the low probability of most pro-consumer legislation such as HR 1844 to ever be enacted as a free-standing bill.

Mr. McHenry's bill extinguishes that right, which only vests to the CFPB after completion of a report to Congress and a rulemaking. The proposal eliminates this important balancing provision even as the CFPB is conducting the required studies. We oppose the so-called "Bureau Arbitration Fairness Act."

We do not oppose the selection of arbitration as a remedy when it is voluntarily chosen after a dispute has arisen. However, the reality today is that boilerplate forced arbitration clauses that have been included in a variety of consumer contracts limit consumer ability to obtain redress and act to perpetuate corporate wrongdoing.

Markets have always been most effectively balanced when consumers are protected by multiple lines of defense against unfair practices. Strong laws are needed and strong federal regulators are needed to enforce them. Then, state attorneys general and state legislatures must be able to respond quickly to new threats and buttress the federal defenses. Finally, it is important to recognize that federal agencies and state agencies do not have adequate resources to solve every problem. So, consumers need private rights of action to defend themselves against unfair practices, either individually, or when the individual losses are small but the overall harm is great, in groups.

Yet, a variety of restrictions have been placed on consumer private rights of action. Perhaps the most harmful has been the growth of the use of boilerplate forced arbitration clauses in consumer contracts to bar court doors.

Unfortunately, the Supreme Court has held that (1) forced arbitration clauses can restrict individual legal rights even when the underlying contract itself is held to be illegal, (2) that the clauses may also include language preempting state laws holding that bans on class action rights are unconscionable and (3) that even when a class of consumers (or small business people) could not otherwise obtain "effective vindication" of their rights without banding together in a class, the Federal Arbitration Act prevails over state laws and instead requires the aggrieved victims to participate in individual arbitration proceedings.

Absent an ability for consumers to band together to redress wrongs, corporate wrongdoing is perpetuated. Yet, forced arbitration as a remedy is a flawed solution. Arbitration is a secretive, expensive process with no records and no appeal that favors repeat players over individual consumers.

One example that shows the need for financial services consumer class actions is the recent Bank Overdraft Cases. For years, America's largest banks had a practice of using sophisticated and specially designed software programs to maximize the number of overdraft fees charged to customers. The banks manipulated customer transactions records so that at the end of each day the customer's debit transactions were reordered from largest to

[10] HR 1844, the Arbitration Fairness Act, http://beta.congress.gov/bill/113th-congress/house-bill/1844

smallest – so-called high-to-low ordering – in order to produce more overdrafts, and consequently more overdraft fees, than if the debit transactions were processed chronologically. If a customer whose account has a $50 balance made four transactions of $10 and one subsequent transaction of $100 on the same day, the bank would reorder the debits from largest to smallest, imposing five overdraft fees on the customer instead of the one the consumer actually accrued. Overdraft fees are typically around $35, so they would charge the customer $175 in fees.

A number of successful class actions were filed against the banks to stop the practice and get refunds for customers overcharged. One judge held that the practice was "unfair and fraudulent." The judge held that the "decision to use high-to-low posting … was made in bad faith with the sole object being to increase the overdraft fees charged to customers." This was "unfair." The bank "failed to disclose … the challenged re-sequencing practice" and "made misleading statements to consumers regarding its re-sequencing practice." This was "fraudulent."

Ultimately these cases settled with the result being tens of millions of dollars of restitution for American who had been cheated. The Bureau, in part one of its required study, examined three of these cases and found that they provided relief to over six million people for abuses in the ordering/timing of overdraft charges. The financial relief provided was more than $120 million. The Bureau also looked at all the consumer arbitrations filed against banks with the American Arbitration Association over a three year period 2010-2012. During that three year period, only two people brought individual arbitration claims for overdraft ordering/timing.

So on the one hand, we have a system – the civil justice system which allows for class actions – that provided financial restitution to millions of Americans and reformed the practices of the nation's largest banks. And on the other hand, we have a system – private, individual, arbitration – that, at most, provided a refund to two people.

There are numerous other financial examples. Back when the court system could operate, payday lenders who'd violated Florida law were held accountable in class action settlements that paid out an average of over $300 to hundreds of thousands of consumers. Yet since the Supreme Court's arbitration rulings, the Florida Supreme Court has held that federal law requires the enforcement of class action bans even when they are proven to gut state consumer protection laws.[11]

One of the topics for the Bureau's study, pursuant to Congress' directive in Dodd-Frank, is a comparison of "the disposition of cases across arbitration and litigation (including class litigation), both in terms of substantive outcome and in terms of procedural variables like speed to resolution." Any honest study of that topic is going to find that financial services consumer class actions have restored hundreds of millions of dollars to Americans who have been cheated by big banks. That is exactly why the U.S. Chamber of Commerce and others don't want to see the study completed. We strongly oppose the McHenry proposal.

[11] http://publicjustice.net/blog/class-actions-against-payday-lenders-show-how-concepcion-has-been-used-gut-state-consumer-prote

Discussion Draft of the "Bureau Guidance Transparency Act"

> *Representative Stutzman's discussion draft of the Bureau Guidance Transparency Act would require that the CFPB, in issuing any guidance, provide a public notice and comment period before issuing the guidance in final form, and must make public any studies, data, and other analysis it relied on in preparing and issuing its guidance.*

We oppose the proposal. It is nothing less than a radical revision of the Administrative Procedures Act. Guidances are not generally subject to the APA. They are interpretative rules or policy statements. As other agencies often do, CFPB guidances may provide advice or reminders of existing requirements. The bill would eliminate warnings on emerging practices. Further and perhaps most problematic, interpretative clarification may sometimes be necessary to forestall unwarranted private litigation. The proposal is unnecessary and possibly harmful. We urge opposition.

Discussion Draft of the "Preventing Regulatory Abuse Act of 2014"

> *Representative Barr's discussion draft of the Preventing Regulatory Abuse Act of 2014 would require the CFPB to go through a formal rulemaking with public notice and comment in order to publish a final rule that gives clear guidance on the CFPB's definition of an "abusive" act or practice; would enact a moratorium on any enforcement action using the CFPB's "abusive" authority until the final rule is published; and would repeal the CPFB's authority to prohibit "abusive" acts or practices if it fails to conform to specified rulemaking timelines.*

We oppose the bill. Unfair, deceptive or abusive practices are all fact-specific. We don't see how you could write a rule that could apply to all industries and all circumstances.

Further the bill imposes impossible timelines. Within 15 days the bureau would have to issue a proposed rule, then provide a 90 day comment period and then finish the rule within a year. Scarce supervisory, enforcement and regulatory authorities would all be limited by the need to respond to the fire drill. It is also unclear whether the bureau would have the authority to conduct further rulemakings in the future, if it determined that there were new, previously unknown abusive practices. Finally, of course, the act already provides enough clarification of what is "abusive" for industry counsel to provide guidance.

Section 1031(d) of the Dodd-Frank Act already states:

> (d) ABUSIVE.—The Bureau shall have no authority under this section to declare an act or practice abusive in connection with the provision of a consumer financial product or service, unless the act or practice—
>
> > (1) materially interferes with the ability of a consumer to understand a term or condition of a consumer financial product or service; or
> >
> > (2) takes unreasonable advantage of—
> >
> > > (A) a lack of understanding on the part of the consumer of the material risks, costs, or conditions of the product or service;
> > >
> > > (B) the inability of the consumer to protect the interests of the consumer in selecting or using a consumer financial product or service; or
> > >
> > > (C) the reasonable reliance by the consumer on a covered person to act in the interests of the consumer.

If this statutory definition is not enough, counsel can refer to several enforcement cases where the abusiveness prong has been used against wrongdoers. Again, these cases are fact-specific. For example, in its case against the online loan servicer CashCall, the CFPB held that "collecting loan payments that consumers did not owe" constituted an abusive practice.[12] In its case against American Debt Solutions, the CFPB held that "signing up and charging fees to vulnerable consumers who the defendants knew had inadequate incomes to complete the debt-relief programs in which they were enrolled" constituted an abusive practice.[13] Again, this is another bill that is unnecessary, redundant and likely harmful to the bureau's ability to fulfill its mission.

Discussion Draft of the "Bureau Examination Fairness Act"

> *Representative Mulvaney's discussion draft of the Bureau Examination Fairness Act would prohibit the CFPB from including enforcement attorneys in examinations, regulate CFPB data requests during the course of examination, place time limitations on the completion of examination field work and the issuance of exam reports and supervisory letters, and prohibit concurrent limited-scope exams at the same institution.*

We oppose the "Bureau Examination Fairness Act." The bureau has already removed enforcement attorneys from examination visits, so the bill's intent is consistent with current practices. Yet the bill would not only absolutely bar ride-alongs, it possibly would prevent an examiner from calling an experienced enforcement attorney – perhaps one who has worked on a case against the firm -- to decide whether prohibited practices have recurred.

The bill would also impose a variety of coordination, data sampling and cost benefit requirements on the bureau. Its various restrictions on the length of examinations, deadlines for completion of exams and limits on the costs of data collection would harm the bureau's ability to conduct adequate supervision. Its "limited scope" concurring examination prohibitions are not defined and could be problematic, especially at larger entities.

While we generally believe that the committee's intent in this package of bills is largely to right perceived harms against smaller institutions, this bill in particular, for all the above reasons, appears to have its benefits accrue to larger institutions, at the expense of smaller ones. Finally, to our knowledge, none of the restrictions in this bill – or for that matter any of the others before you today that should be applied equally to all regulators – would also apply to the prudential regulators.

Conclusion:

Thank you for the opportunity to testify today. While we appreciate the committee's right to question the activities of any agency under its purview, we do not believe any of the proposals before you merit any further consideration and would, in fact, prevent the CFPB from carrying out its important mission. Again, the idea of the CFPB needs no defense, only more defenders.

[12] http://www.consumerfinance.gov/newsroom/cfpb-sues-cashcall-for-illegal-online-loan-servicing/
[13] http://www.consumerfinance.gov/newsroom/cfpb-takes-action-to-stop-florida-company-from-engaging-in-illegal-debt-relief-practices/