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**FINANCIAL SERVICES COMMITTEE DEMOCRATS**  
**H.R. 1500, THE CONSUMERS FIRST ACT**  
**- CHAIRWOMAN MAXINE WATERS-**

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*Original Cosponsors: Maloney, Velázquez, Sherman, Meeks, Clay, Scott, Green, Cleaver, Perlmutter, Himes, Foster, Beatty, Heck, Vargas, Gonzalez, Lawson, San Nicolas, Tlaib, Porter, Axne, Pressley, Ocasio-Cortez, Wexton, Lynch, Gabbard, Adams, Dean, García (IL), and Garcia (TX)*

The bill seeks to block the Trump Administration's anti-consumer agenda and reverse their past efforts, led by Mick Mulvaney, to undermine the mission of the Consumer Financial Protection Bureau (Consumer Bureau). The bill would, among other things:

- direct the new Consumer Bureau leadership to reverse all anti-consumer actions taken under Mr. Mulvaney's leadership, including resume Military Lending Act examinations;
- restore the supervisory and enforcement powers of the Office of Fair Lending and Equal Opportunity;
- reestablish a dedicated student loan office;
- require adequate agency staffing, including for supervision and enforcement;
- limit the number of political appointees the Consumer Bureau may hire to address allegations that they suppressed the work of dedicated, professional staff;
- mandate the consumer complaint database remain transparent and publicly accessible;
- reinstate the Consumer Advisory Board that was effectively terminated by Mr. Mulvaney with protections to ensure consumer voices are well represented, and that diversity and inclusion are promoted, on the agency's advisory boards; and
- require more reporting about and encourage greater cooperation with other government agencies, like the U.S. Departments of Education and Defense.

**51 Consumer, Civil Rights, and Labor Organizations Supporting the Consumers First Act**

Americans for Financial Reform, Allied Progress, Adelante Mujeres, California Reinvestment Coalition, Center for New York City Neighborhoods, Center for Global Policy Solutions, Center for Popular Democracy, Center for Responsible Lending, Communications Workers of America (CWA), Connecticut Fair Housing Center, Consumer Action, Consumer Federation of America, CREDO, Demos, Empire Justice Center, Florida Alliance for Consumer Protection, HomeSmartNY, Main Street Alliance, MERIT (Micro Enterprise Resources Initiatives & Training), Mobilization for Justice, NAACP, National Association of Consumer Advocates, National Association for Latino Community Asset Builders, National CAPACD, National Center for Law and Economic Justice, National Community Reinvestment Coalition (NCRC), National Community Stabilization Trust, National Consumer Law Center (on behalf of its low income clients), National Consumers League, National Fair Housing Alliance, New Jersey Citizen Action, Policy Matters Ohio, PolicyLink, Prosperity Now, Public Citizen, Public Good Law Center, Public Justice Center, Reinvestment Partners, Revolving Door Project, Tennessee Citizen Action, Texas Appleseed, The Greenlining Institute, The Leadership Conference on Civil and Human Rights, The National Council of Asian Pacific Americans (NCAPA), Tzedek DC, U.S. PIRG, UnidosUS (formerly the National Council of La Raza), Ventures, Virginia Citizens Consumer Council, Virginia Poverty Law Center, and Woodstock Institute.

# **H.R. 1500, the Consumers First Act**

**The Trump Administration has worked hard to undermine the Consumer Financial Protection Bureau. The Consumers First Act would reverse their anti-consumer agenda.**

## **Trump's 10 Worst Hits against the Consumer Financial Protection Bureau:**

### **Muzzling the Federal Consumer Watchdog**

1. Politicizing the agency – The President [appointed his Office of Management and Budget \(OMB\) director](#), Mick Mulvaney, to run the Consumer Bureau after former Director Cordray stepped down, allowing a White House official to run what should be an independent agency, and creating potential conflicts of interest arising from Mulvaney's dual role running the OMB and Consumer Bureau. Mulvaney then hired an unusual number of [political appointees](#) to control, if not stifle, the work of professional, career staff.
2. Reorganizing the agency – Mulvaney changed the roles of several established offices that previously led the Consumer Bureau's effective efforts to better protect and empower vulnerable consumers, such as by folding the only unit in the federal government solely dedicated to [protecting student loan borrowers](#) from predatory actors into a broader financial education office.
3. Renaming the agency – Mulvaney renamed the agency the BCFP in a [petty attempt](#) to reduce the public's awareness of, and significant support for, the agency's role as the top Federal consumer watchdog.

**How the Consumers First Act Fights Back:** The bill limits the number of political appointees that may be hired, reestablishes the full duties of enumerated offices, restores the Office of Student and Young Consumers, and codifies the well-known name of the Consumer Financial Protection Bureau.

### **Relaxing Supervision and Enforcement**

4. Weakening enforcement, including for fair lending. Severely curtailed the agency's enforcement work, including taking only 11 enforcement actions under Mulvaney's leadership in 2018 (compared to an average of 44 annual enforcement actions the prior 3 years) and stripping the [Office of Fair Lending and Equal Opportunity](#) of its supervisory and enforcement powers.
5. Blocking payday loan cases. Dismissed an enforcement action against [payday lenders](#) who had allegedly misled customers and charged exorbitantly high interest rates close to 1000 percent.
6. Dismantling financial protections for servicemembers. Eliminated routine supervisory exams for compliance with the [Military Lending Act](#), which provides key protections for active-duty servicemembers.

**How the Consumers First Act Fights Back:** The bill directs new leadership to reverse Mulvaney's anti-consumer activities (including by resuming Military Lending Act supervision that was already authorized), restores supervisory and enforcement powers of the fair lending office, and requires adequate agency staffing, including for supervision and enforcement, to fully carry out the Consumer Bureau's statutory mandates.

### **Reducing Transparency and Accountability**

7. Suppressing student lending report. [Delayed the release of a staff report](#) exposing predatory actions of large banks by charging students questionable fees, which was only [later published through a FOIA request](#).
8. Eliminating coordination with other agencies. The Department of Education unilaterally [rescinded agreements](#) to cooperate with the Consumer Bureau in overseeing student lenders.
9. Attempting to hide consumer complaint database. Tried to [hide](#) from the public and state law enforcement agencies more than a million consumer complaints about bad actors' misdeeds.
10. Ignoring and effectively terminating Consumer Advisory Board (CAB). Effectively fired a [panel of outside experts](#) that provided useful feedback for years on the agency's work.

**How the Consumers First Act Fights Back:** The bill requires transparency on interagency cooperation, mandates the complaint database remain publicly accessible, reinstates the CAB members, and stipulates that the agency's advisory boards should be diverse, inclusive and that consumer perspectives are well-represented.