

U.S. House Financial Services Committee

Re: Opposition to abolishing access to the CFPB Complaint Database in the Financial CHOICE Act 2.0

April 26, 2017

Dear Representative:

The undersigned consumer, civil rights, fair lending, community and privacy organizations write to urge you to oppose the latest damning version of the far-reaching Financial CHOICE Act.

The only *financial choice* this dangerous bill offers is between risky financial practices and a return to pre-crisis greedy, deceptive, discriminatory behavior. The *Financial CHOICE Act* is designed to destroy the one law-- Dodd-Frank -- that has held financial institutions accountable, after decimating the economy and causing the Great Recession.

Among a myriad of provisions devised to undermine the CFPB, we have chosen to focus on just a few of the destructive elements of this appalling bill. The Financial CHOICE Act would:

- Obliterate public access to the Consumer Financial Protection Bureau's (CFPB) consumer complaint database that empowers individuals with firsthand information on financial problems
- Abolish CFPB authority to stop unfair, deceptive or abusive acts and practices (UDAAP)
- Eliminate the CFPB's essential supervisory, examination and enforcement functions for large banks

The CFPB's first-rate complaint system has handled more than one million complaints, connecting consumers with companies to receive redress for their unresolved financial disputes, providing the public with an understanding of consumers' distinct problems with financial institutions and empowering individuals with a tool to report and evaluate ongoing financial problems and practices.

Denying the public access to CFPB complaint data is disgraceful. Consumers have waited too long to begin to hold financial firms accountable for their unfair, unreasonable, and in some cases deceptive practices that can now be reported to the CFPB *and* to the public. The CFPB public complaint database is an essential tool that empowers consumers with timely, valuable information to help them make wise financial decisions prior to purchase, and can alert the public to financial wrongs in advance of problems.

Effective use of the CFPB complaint database equips consumers to protect themselves from financial trouble. In direct contrast to the Financial Choice Act's baseless concerns, public complaint data can inspire companies to compete based on customer service excellence. Some companies have reported improved customer complaint outcomes and improved complaint processes as a direct result of the CFPB complaint process.

Chairman Hensarling's Financial CHOICE Act intends to replace the CFPB's accountable director with a political appointee who could be fired at will. The legislation would further reduce Bureau's independence by placing its budget under Congressional control, where its funding could be slashed and its authority to rein in harmful practices diminished by political whim. It also aims to strip the Bureau of its authority to combat unfair, deceptive or abusive acts and practices, leaving consumers unprotected and the market at risk of return to predatory practices.

Congress, on behalf of taxpayers, cannot afford to let some lawmakers upend our financial lives again to feed the insatiable greed of Wall Street insiders.

We oppose the Financial Choice Act designed to diminish the CFPB's ability to protect and inform consumers, and create roadblocks to prevent individuals from accessing key information that could deter future financial harms.

We urge you oppose this detrimental bill too.

Sincerely,

Americans for Financial Reform
Baltimore Neighborhoods Inc.
California Reinvestment Coalition
Center for NYC Neighborhoods
Center for Popular Democracy
Connecticut Fair Housing Center
Consumer Action
Consumers Union
Consumer Federation of America
Demos
MFY Legal Services Inc.
NAACP
National Association of Consumer Advocates
National Consumer Law Center (on behalf of its low income clients)
National Consumers League
National Fair Housing Alliance
Privacy Rights Clearinghouse
U.S. PIRG
Woodstock Institute