



June 7, 2017

RE: H.R. 10 Financial CHOICE Act of 2017 Floor Vote

Dear Representative:

The National Association of Consumer Advocates (NACA) urges you to vote NO on the Financial CHOICE Act of 2017 (H.R. 10). NACA is a national nonprofit association whose members are private and public sector attorneys, legal services attorneys, law professors, and law students committed to representing consumers' interests. NACA is actively engaged in promoting a fair and open marketplace that forcefully protects the rights of consumers, particularly those of modest means.

The Financial CHOICE Act of 2017 would dismantle the Dodd-Frank Wall Street Reform and Consumer Protection Act, passed in 2010 to remedy the flaws in the U.S. economic system that invited reckless conduct and ushered in the 2008 Great Recession. During this period, tens of millions of Americans lost homes, jobs, businesses and economic security. In particular, you must reject the dangerous sections of the bill that aim to sabotage the work and mission of the Consumer Financial Protection Bureau (CFPB).

Since it opened its doors six years ago, the CFPB has utilized its powers and authority to bring about fairness in a marketplace that was almost toppled during the financial crisis by sheer recklessness and greed by financial institutions, lack of oversight from public officials, and subsequent lack of accountability for the harm caused. The CFPB's efforts have included rigorous collection and analysis of data about financial products, services and practices; supervision and examination of financial services providers and their systemic conduct; clear guidelines and standards formalizing appropriate protections for consumers; and enforcement actions against financial institutions engaged in practices that deceive, cheat or rip off their customers.

The bureau has identified and addressed some of the worst unfair, abusive and deceptive practices in debt collection, credit reporting, student loans, payday loans, bank accounts, and other products and services. Its work has resulted in billions of dollars returned to consumers and changes and improvements to industry practices. The CHOICE Act would upend the far-reaching progress that has resulted from the Dodd-Frank reforms. If the Financial CHOICE Act is enacted the financial marketplace will quickly return to a period when consumers were significantly more vulnerable to predatory financial schemes, and institutions were shielded from being held responsible for their destructive actions.

Among others, NACA strongly objects to provisions in the proposal that would:

- **Eliminate the CFPB’s authority to limit forced arbitration and improve consumers’ and investors’ access to remedies**
 - Repeal the CFPB’s authority to issue a rule on the use of forced arbitration in consumer financial services contracts. [Sec. 738]
 - Repeal the authority of the Securities and Exchange Commission to issue a rule to prohibit brokers and financial advisors from using forced arbitration clauses in contracts with investor-customers. [Sec. 857]

- **Obstruct the CFPB’s power to monitor and respond to harmful financial practices**
 - Weaken CFPB’s complaint database and prevent publication of consumer complaints against financial institutions. [Sec 731]
 - Remove the CFPB’s supervisory authority to examine financial institutions to ensure they are complying with consumer protection laws. [Sec. 727]
 - Obstruct the CFPB’s ability to consider and issue appropriate rules and standards for the financial marketplace. [Sec. 313, 717 et al.]
 - Interfere with the CFPB and other federal regulators’ independence by making them subject to the political congressional appropriations process. [Sec. 713]
 - Remove the CFPB’s authority to enforce laws prohibiting unfair, deceptive, or abusive acts and practices in the marketplace. [Sec. 736]
 - Destroy the CFPB’s authority to curb the worst practices in payday lending and auto title lending. [Sec. 733]
 - Eliminate CFPB guidance to stop discrimination in auto lending. [Sec. 734]
 - Rename the CFPB to the “Consumer Law Enforcement Agency,” directly attacking the main purpose for which the agency was created: consumer protection. [Sec. 711]

American consumers and the U.S. financial marketplace cannot afford to be exposed to unchecked predatory financial schemes run by unaccountable financial institutions. Therefore we urge you to reject this bill. Thank you for considering our views. For more information, please contact me at Christine@consumeradvocates.org or (202) 452-1989.

Sincerely,

Christine Hines
 Legislative Director
 National Association of Consumer Advocates