



June 23, 2016

Dear Member of Congress:

The National Association of Consumer Advocates (NACA), a nonprofit association of private and public sector attorneys, legal services attorneys, law professors, and law students who have represented hundreds of thousands of consumers victimized by fraudulent, abusive and predatory business practices, strongly urges you to oppose the fiscal year 2017 Financial Services and General Government Appropriations bill.

As a national organization, NACA's members and their clients are actively engaged in promoting a fair and open marketplace that forcefully protects the rights of consumers, particularly those of modest means. The FSGG appropriations bill would irreparably harm the financial services sector by seeking to shield corporations from accountability for predatory, risky or unlawful actions that hurt American financial consumers.

Instead, we urge members to vote in favor of a crucial amendment to the FSGG bill, sponsored by Representatives Keith Ellison and Hank Johnson. The amendment would strike restrictions on the Consumer Financial Protection Bureau's ability to promulgate rules restricting pre-dispute mandatory (forced) arbitration clauses in consumer contracts with financial institutions.

NACA strongly supports the Bureau's proposed rule on forced arbitration, issued pursuant to Section 1028(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The Bureau seeks to limit the most harmful element of forced arbitration clauses, the class action bans that prohibit individuals from banding together to address systemic or widespread misconduct. The proposed rule will restore access to remedies for millions of Americans harmed by predatory or illegal practices in the financial sector.

The FSGG bill would obstruct the Bureau's efforts and would continue to allow corporations to deprive consumers of their legal rights and their liberty. It would also waste taxpayer funds and public resources by requiring the Bureau to re-do a comprehensive, three-year examination of forced arbitration that it had completed and reported to Congress last year. The Bureau's study showed the magnitude and reach of the corporate practice. It also showed that the marketplace only benefits when consumers are able to exercise their legal right to seek remedies in court. In fact, the mere existence of this right also *deters* corporate wrongdoing and encourages compliance with consumer protection laws.

This rulemaking is critical. For the protection of consumers and the marketplace, Congress must ensure that the Bureau will be able to continue its work and finalize the rule without unreasonable interference or obstruction.

Sincerely,

Christine Hines  
Legislative Director  
National Association of Consumer Advocates