

July 11, 2023

The Honorable Kay Granger
Chairwoman, House Appropriations Committee
Washington, DC 20515

The Honorable Rosa DeLauro
Ranking Member, House Appropriations Committee
Washington, DC 20515

Re: Oppose Ideological Policy Riders in FY2024 FSGG Appropriations Act

Dear Chairwoman Granger and Ranking Member DeLauro:

The undersigned public interest organizations write to express our strong opposition to the FY2024 Financial Services and General Government (FSGG) appropriations bill, which would deprive federal agencies of their appropriate levels of funding and undermine critical consumer protections with its harmful ideological policy riders. The FSGG bill unnecessarily attacks federal agencies established to safeguard the financial health and safety of working families. These regulators need robust funding to protect the marketplace from widespread harms and insidious practices. In addition, the act of slipping inappropriate and unpopular policy riders into must-pass funding bills represents an end-run around the regular course of business in Congress. It is a cynical and dangerous strategy that puts the public at risk.

The Federal Trade Commission. The FSGG bill would not only deprive the FTC of an appropriate level of funding, it would prohibit the FTC from completing critical rulemaking. Specifically, the bill would:

- Eliminate a ***Motor Vehicle Dealer Rule***, which seeks to stop dealers that engage in bait-and-switch advertising, deceptively sell worthless add-ons products and services, and lie to consumers in the sale and financing of a motor vehicle.
- Provide restrictions beyond the FTC's responsibilities on how the agency may finalize or enforce regulations on the ***Business Opportunity Rule*** and the ***Deceptive Earning Claims Rule***, which aim to address and combat the vast proliferation of business opportunity and earnings scams.

Attempts to stymie these FTC rulemaking efforts will only allow unfair, deceptive and fraudulent acts and practices to spread and prosper, while denying consumers and honest businesses a fair and just marketplace. Simply, the FTC's work to write rules that stop and deter scams and risky practices should not be upended in an unrelated funding bill.

The **Consumer Financial Protection Bureau** has secured over \$20 billion total in fines, restitution, and canceled debts on behalf of consumers. The CFPB has obtained over \$17.4 billion in relief for over 220 million consumers in the form of restitution or canceled debts, and \$3.8 billion in civil penalties – money that can make consumers whole even if the company that defrauded them has vanished. The policy riders directed at undermining these efforts are a bald

attempt by financial institutions to evade responsibility and reshape the structure which has been upheld by the Supreme Court. These provisions would:

- Strip the CFPB of its independent funding and bring it under the congressional *appropriations process*.
- Replace the Director with a *five-person commission*, effectively eviscerating the intent and purpose of the CFPB's design which Congress approved in 2010.
- Preclude the CFPB from enforcing *fair lending laws* by prohibiting small banks from collecting data about women and minority-owned businesses.

The **Consumer Product Safety Commission** has saved lives and kept families safe by reducing the unreasonable risk of injuries and deaths associated with consumer products. The damaging policy riders directed at undermining the CPSC's vital work will restrict the agency's ability to protect consumers from hazardous products. The bill would:

- Impede CPSC's work on real health risks associated with gas stoves. For example, the agency issued a recall of a particular gas range that could emit dangerous levels of carbon monoxide, posing a serious risk of injury or death.
- Thwart the CPSC's from completing important work on recreational off-highway vehicles (OHV) and result in continued OHV fatalities. There have been at least 201 OHV fatalities this year, with children under the age of 16 accounting for the most tracked fatalities. There were at least 419 OHV fatalities tracked in 2022.

We urge you to remove all policy riders from the FSGG bill and ensure appropriate funding levels for these agencies, or to reject the legislation in its entirety if these changes are not made. For questions or further information, please contact Erin Witte, ewitte@consumerfed.org or Christine Hines, christine@consumeradvocates.org.

Sincerely,

Accountable.US
American Economic Liberties Project
Americans for Financial Reform
Center for LGBTQ Economic Advancement & Research (CLEAR)
Center for Responsible Lending
Consumer Action
Consumer Federation of America
Consumers for Auto Reliability and Safety
Demand Progress
National Association of Consumer Advocates
National Consumer Law Center (on behalf of its low-income clients)
New Jersey Citizen Action
National Consumers League
Voices Organized in Civic Engagement (VOICE)
Texas Appleseed

Travelers United
Tzedek DC
U.S. PIRG
Woodstock Institute