

April 20, 2015

The Honorable John Boehner
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

RE: H.R. 1195, Bureau of Consumer Financial Protection Advisory Boards Act

Dear Speaker Boehner and Leader Pelosi:

We are writing to express our opposition to H.R. 1195, which creates additional burdens on the Consumer Financial Protection Bureau (CFPB) by imposing a de facto ceiling on the agency's funding in order to offset the costs of the required advisory committees. As advocates for consumers victimized by unfair, deceptive, and abusive financial products and practices, we strongly support the work and mission of the CFPB, and oppose legislation limiting the CFPB's ability to ensure transparency, accountability, and basic standards of fairness in the financial services industry.

Though purportedly aimed at protecting small business concerns, the amended language of H.R. 1195 threatens the ability of the Bureau to conduct rulemakings by setting caps on CFPB spending. To establish the three advisory committees for small businesses, credit unions, and community banks described in the bill, expenditures of \$9 million over 10 years would be required, according to the Congressional Budget Office score. Offsetting these costs would severely limit the resources available to the CFPB and lead to delay of current rulemakings as well possibly prevent the implementation of future regulatory safeguards for consumers.

The CFPB was established under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 to bring increased protections to consumers of credit cards, student loans, mortgages, checking accounts, and other financial products and services. In a short period of time, the CFPB has had incredible success. Its enforcement actions have resulted in \$5 billion in relief for roughly 15 million people and have led to over \$150 million in civil penalties for illegal corporate practices.

In light of CFPB's current proposals on payday and mortgage loans as well as its ongoing work on many other critical issues including forced arbitration clauses in consumer contracts, it is imperative that the Bureau continues to have the resources necessary to do its job. We urge you to reject this legislation and defend the CFPB from attempts to weaken its funding and derail its operations. Please stand up for consumer protection by voting against H.R. 1195.

Sincerely,

Alliance for Justice

American Association for Justice

Center for Justice & Democracy

Consumer Action

Consumer Federation of America

Consumers for Auto Reliability and Safety

Consumers Union

Consumer Watchdog

D.C. Consumer Rights Coalition

Homeowners Against Deficient Dwellings

National Consumers League

National Fair Housing Alliance

Public Citizen

Public Justice

U.S. PIRG

Workplace Fairness