

Statement of Former Members of Disbanded Consumer Advisory Board in Response to Consumer Financial Protection Bureau Appointing new Board

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The below-listed members of the former Consumer Advisory Board (CAB) that was disbanded by Acting Director Mulvaney in June of this year issued the following statement in response to the announcement of the appointment of a new CAB.

“We are disappointed that the current administration of the Consumer Financial Protection Bureau (CFPB) chose to only appoint nine members to this new CAB. While each of the individual members is qualified in her or his own right, the fact that there are so few of them means that Acting Director Mulvaney’s CAB lacks sufficient diversity and depth of perspective. There are only 2 consumer advocates, whereas there were at least 8 advocates on the former 25 member CAB. Ironically, there are no large financial institutions, major credit card providers, or debt collectors on this new CAB. While these sectors probably have other opportunities for access with the CFPB, one of the most valuable aspects of the recently disbanded CAB was that it provided a forum for fruitful and productive conversations among a variety of stakeholders in consumer finance, which often generated valuable insights for the Bureau and the CAB members. This will be missing from the new CAB. The lack of a multitude of perspectives is ironic given that a stated reason for disbanding the former CAB was to increase the diversity of viewpoints on the Board.

“We are also disappointed that Acting Director Mulvaney and his appointees have chosen to limit the service of these CAB members to one year instead of three years as with previous CAB members. Because the CAB meets only a few times a year, it takes one year for members to become familiar with the CFPB and other CAB members, and to get up to speed. New members will be just getting started when their terms end. One year does not permit members to provide the type of rich feedback and perspective that traditionally has been the role of the CAB.

“As consumer advocates and academics with decades of experience among us, we are committed to continue working to ensure that consumer protection and fair market practices are given due priority. We must ensure that the most financially vulnerable Americans are protected from the worst abuses of predatory consumer practices.

Ann Baddour, former chair of the disbanded CAB and director of the Fair Financial Services Project of Texas Appleseed stated that “We hope the new panel builds on the work of the previous boards, and ensures that the CFPB stays on track in meeting its consumer protection mission. We are happy to be a resource to them in their important work.”

Ann Baddour, Texas Appleseed; former Consumer Advisory Board Chair

Lynn Drysdale, Jacksonville Area Legal Aid, Inc.; former Consumer Advisory Board Vice Chair

Kathleen Engel, Suffolk University Law School
Ruhi Maker, Empire Justice Center
Lisa Servon, University of Pennsylvania
Chi Chi Wu, National Consumer Law Center
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