

Congress Makes the Wrong Choice with Financial Reform Rollback Legislation

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NCLC Statement on the Financial CHOICE Act of 2017, "an assault on ordinary Americans."

WASHINGTON, D.C.- Today, the U.S. House of Representatives passed a bill that would gut essential financial reforms enacted under the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as longstanding financial protections that go back decades, according to advocates at the National Consumer Law Center.

Alys Cohen, staff attorney at the National Consumer Law Center, made the following statement:

"The Financial CHOICE Act of 2017 is breathtaking in its assault on ordinary Americans, responsible companies who want a level playing field, and safeguards for the economy as a whole.

"This Wrong CHOICE Act makes it easy for lawbreaking financial companies to deny people their day in court, for predatory lenders to put people into a debt trap, and for abusive financial enterprises of all types to go back to their reckless ways without a consumer watchdog looking out for ordinary people.

"The bill is a grab bag of gimmies for Wall Street and predatory lenders that gut essential reforms adopted after the foreclosure crisis to fix a rigged system that destroyed American families and cost our economy \$10 trillion. It takes the side of lawbreaking financial companies by weakening the Consumer Financial Protection Bureau. Over its short life, the CFPB has returned nearly \$12 billion in relief to nearly 30 million American consumers, including older adults, members of the military, and veterans.

"The Wrong CHOICE Act eliminates the consumer watchdog's authority to go after unfair, deceptive, or abusive practices; removes the CFPB's authority over large banks; deprives the CFPB of power over abusive practices by predatory lenders making 400% APR loans, and eliminates public access to the complaint database. The bill prohibits the CFPB from stopping banks like Wells Fargo from using forced arbitration to strip people injured by two million fake accounts from banding together in court. And it would roll back critical Dodd-Frank mortgage protections, exposing homeowners and new home buyers to abuses.

"The CFPB has improved protections for mortgages, student loans, auto loans, and dozens of other financial products and should not be gutted to enrich Wall Street banks. This Wrong Choice Act would destroy the dreams of hard-working Americans, regardless of their political beliefs. Many of these families are yet to recover from the 2008 financial collapse fueled by big banks and corporations gaming the system. Wall Street is doing just fine. Our Senators and Representatives need to stand up for Main Street."