Statement of Chairman Sherrod Brown
"The Consumer Financial Protection Bureau's Semiannual Report to Congress"
June 13, 2023

This Banking, Housing, and Urban Affairs Committee will come to order.

Welcome back, Director Chopra.

We created the Consumer Financial Protection Bureau to fight for all the Americans who have no other way to stand up to powerful corporations.

Look at all the actions CFPB has taken since Director Chopra last appeared before us.

The CFPB is going after those that discriminate in home lending, provide shady financial products, and prey on the elderly and students and servicemembers.

Since its creation, the CFPB has returned $17.4 billion to more than 200 million Americans.

$17.4 billion that otherwise would be on corporate profit statements is now where it belongs: back in consumers' wallets.

In just one action, the CFPB returned millions to servicemembers by going after a title lender that violated servicemembers' financial rights.

They're protecting consumers from being forced to pay debts they do not owe to nursing homes.

They're working to ensure homes are valued fairly, helping working families build generational wealth.

They're going after junk fees.

Of course, Wall Street doesn't like what the CFPB does. After all, corporate lobbyists are not paid to just sit around and let consumers win.

So what do Wall Street, their Republican allies in Congress, and their army of lobbyists do?

They go to war against the only agency created to protect consumers.

They've tried every tactic to gut the CFPB:

- They tried to cut its funding.
- They tried to take away the effective single director structure.
- They tried to dismantle it from the inside under Mick Mulvaney and Kathy Kraninger.

None of that worked, at least not permanently.

Under Director Chopra's leadership, the CFPB is back to doing its job – standing up to bad actors, protecting people's paychecks and savings, helping working families keep more of their money.

But the corporate crowd never gives up. Now they've used Wall Street's favorite circuit court to try to get rid of the CFPB.

Last year's Fifth Circuit ruling is far, far outside the mainstream – they're saying the CFPB's funding authority violates the Constitution's Appropriations Clause and the separation of powers.

This is, frankly, insane.

By establishing reliable and steady funding, we ensured that CFPB would be able to fully protect consumers.

For more than two centuries, Congress has used—and the courts have recognized—a variety of different mechanisms to fund agencies and programs.

When creating the CFPB, we intentionally chose to fund the Bureau in a way that guaranteed steady funding without political interference—just as other financial regulators, like the Federal Reserve, are independently funded.

If the CFPB's independent funding structure is unconstitutional, there's going to be far-reaching collateral damage.

The Fed would be in jeopardy. So would the FDIC.

These are entities vital to our economy – and to how corporations operate. Yet Wall Street doesn't seem to care.

This lawsuit is a half-baked, bad-faith, dangerous legal ploy to do through the courts what Wall Street and their Congressional allies couldn't get done any other way: get the CFPB off their back.

That's the end goal here – to allow corporations to pad their profits with working families' hard-earned money, with no one standing in their way.

Just look at Wells Fargo.

In the most recent of a long, long, long line of abuses, the CFPB found that Wells Fargo mismanaged auto loans, mortgages, and bank accounts. The bank wrongfully foreclosed on homes and illegally repossessed vehicles.

The CFPB uncovered this misconduct that affected 16 million consumer accounts – 16 million. The agency ordered Wells Fargo to repay $2 billion – that's "billion" with a B – to millions of customers.

For many of these customers, they had no other way to get their money back. Some of them may not have even known they were wrongfully foreclosed on, if the CFPB hadn't stood up for them.

That's this agency's job. The CFPB is helping Americans save money on their homes and their bank accounts and their medical bills.

And then take mortgages, for example.

Unlike in 2008, today the largest mortgage lenders are nonbanks that aren't overseen by the federal banking regulators.

The CFPB is charged with policing all lenders to make sure they're making mortgages on fair terms.

Without the CFPB, consumers' biggest financial investment – their key to generational wealth – would be at risk, and the mortgage market would be in chaos.

Or look at the progress the CFPB has made on reducing junk fees, like overdraft fees.

The CFPB estimates that consumers will save $5.5 billion – again that's billion with a B – on overdraft fees, due to the recent overdraft reforms made by banks, after many of us and the CFPB put pressure on them.

That's $5.5 billion that Americans can instead use to put food on the table or pay their utility bills or put gas in their cars.

Make no mistake, these overdraft reforms and the $5.5 billion in savings would not have happened without the CFPB.

The CFPB's work on medical debt will also have a real effect on tens of millions of Americans' finances.

Together with the CFPB, we pushed the three major credit reporting agencies to remove medical debt under $500 from credit reports.

That's going to mean 22.8 million consumers will have at least one medical collection removed from their credit reports.

Those Americans' credit scores will increase by an average of 21 points. And we all know that a better credit score means lower interest rates – and lower bills.

All of these accomplishments – all of this work that means more money in working people's pockets and less money for stock buybacks and executive bonuses – is exactly why Wall Street and its allies are intent on destroying the CFPB.

They always have been.

The people pushing this case don't really care whether the CFPB's funding model is constitutional.

The only reason that corporations and their enablers have singled out the CFPB is because the agency doesn't do their bidding.

The CFPB doesn't help Wall Street executives when they fail.

It doesn't extend them credit in favorable terms or offer them deposit insurance like the other regulators do.

No other agency fights for consumers – or stands up to corporate power – like the CFPB does.

Most Americans don't have high-priced lawyers. They don't have corporate lobbyists. But they have the CFPB – and it's our job to make sure the CFPB will be their voice for decades to come.

Ranking Member Scott.