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# **Brown Takes Mulvaney to Task over Attacks on Consumers**

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At Banking Committee Hearing, Brown Slams Acting Consumer Bureau Head over Favors to Wall Street and Shady Payday Lenders at Expense of Working Ohioans

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Friday, April 13, 2018

WASHINGTON, DC – During a Banking, Housing, and Urban Affairs Committee hearing yesterday, U.S. Sen. Sherrod Brown (D-OH) – who serves as Ranking Member on the committee – took the Consumer Financial Protection Bureau’s (CFPB) Acting Director Mick Mulvaney to task for his efforts to roll back the agency’s mission to protect consumers.

During the hearing, Brown highlighted that the agency under previous leadership succeeded in winning \$12 billion in relief for 29 million Americans after they had been harmed by shady business practices. However, under Mulvaney’s leadership, the CFPB has not initiated a single enforcement action to put money back in the pockets of service members, veterans, seniors, or students.

**“Mr. Mulvaney is trying to convince us that protecting families and prosecuting shady lenders is, ‘pushing the envelope.’ That is a lie. That is the CFPB’s entire mission. We have seen that the CFPB can be a real, positive force for consumers,”** said Brown. **“Its job is clear – to fight for hard working families against unfair, abusive, and deceptive practices, the tricks and traps that some financial institutions design in order to line their pockets. If we don’t protect hardworking Americans from powerful Wall Street banks and financial scammers, it can bring down our entire economy.”**

As a member of Congress, Mulvaney supported eliminating the CFPB, and Brown said Mulvaney’s actions as acting director of the agency show he is determined to undermine the CFPB so Congress will take away its ability to protect consumers:

- Mulvaney’s first action at the CFPB was to halt payments to victims of financial crimes, direct the staff to reconsider all current investigations and litigation, and prevent the agency from hiring analysts and investigators to hunt down shady lenders.
- He also changed the CFPB’s mission statement to emphasize taking down the guardrails against scammers, and put a moratorium on new rules to help consumers almost immediately after starting.
- Mulvaney also claimed that the CFPB should work not just in the interest of consumers, but also for payday lenders and credit card providers. The CFPB dropped a lawsuit

against four payday lenders. Brown has long fought to protect consumers from the payday lenders who have taken advantage of thousands of Ohioans. Brown said the CFPB should be working to crack down on the shady lenders who saddle borrowers with triple-digit interest rates and cost Ohioans over \$500 million a year in fees alone, not letting them off the hook.

- The agency under this new leadership also stripped enforcement powers from a CFPB office that was focused on preventing discriminatory lending. On the 50th anniversary of the *Fair Housing Act*, the CFPB observed this year's anniversary by weakening the Office of Fair Lending and Equal Opportunity, which focuses on preventing discriminatory lending.
- While Mulvaney's hiring freeze has allowed the ranks of investigators and economists and attorneys to wither, he installed eight of his own political appointees at taxpayer expense. Just four of their salaries total \$1 million annually.

Brown said that the CFPB was created as a result of the biggest financial crisis and recession since the Great Depression, and its goal is to protect hardworking Americans, not line the pockets of powerful Wall Street allies and financial scammers. Brown said that Mulvaney and the CFPB must do better when it comes to carrying out the agency's mission, or it could put the entire economy at risk again.

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