

Brown Applauds Upcoming Rule to Ensure Ohio Consumers Have Their Day in Court

Senator Leading Efforts to Help Wells Fargo Customers Make Their Case in Front of Jury of Their Peers

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WASHINGTON, D.C. – U.S. Sen. Sherrod Brown (D-OH) applauded news today that the Consumer Financial Protection Bureau (CFPB) will finalize its rule to protect Ohio consumers' ability to hold big banks accountable after falling victim to financial fraud or scams.

The rule from CFPB will restrict financial institutions' use of "forced arbitration" – a practice used by Wall Street banks and predatory payday lenders to deny consumers access to the justice system when the institution engages in illegal behavior. This forces customers into secret arbitration proceedings run by private industry. These clauses often also bar consumers from joining class action lawsuits.

"Ohio consumers deserve the ability to seek relief through the justice system when they've been wronged by a bank or payday lender. But too often, banks rob consumers of this ability through forced arbitration clauses snuck into their contracts. This has to stop," said Brown. **"This unfair tactic rips off consumers and leaves them with no place to turn for relief. This rule will ensure that Ohioans can see their day in court if they are scammed."**

Brown has urged the CFPB to protect consumers' right to be heard by a judge. He is leading legislation in the Senate that would give defrauded Wells Fargo customers – who were victims of a fraudulent account scheme – their day in court. Wells Fargo has used forced arbitration clauses in customers' contracts to prevent defrauded customers from suing over fake accounts. Brown's bill, the *Justice for Victims of Fraud Act*, would make sure these customers can seek their day in court, and that Wells Fargo cannot hide their fraud in secret arbitration proceedings.

In addition to Brown's work on behalf of Wells Fargo customers, Brown has worked to ensure workers and students of for-profit universities have their right to take their cases to court. He reintroduced the *Court Legal Access & Student Support (CLASS) Act*, legislation to prohibit any school receiving taxpayer funded student aid funds from using forced arbitration clauses in enrollment agreements. He also successfully pressed the Department of Education to follow through with strict oversight rules to deny taxpayer funding to colleges that deny students the right to join class actions, specifically at institutions like ITT Tech that cheat students out of the education they deserve.

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