

FOR IMMEDIATE RELEASE
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Statement by the Acting Comptroller of the Currency Regarding the Consumer Financial Protection Bureau's Final Rule on Arbitration Agreements

WASHINGTON — Acting Comptroller of the Currency Keith Noreika made the following statement regarding the Consumer Financial Protection Bureau's (CFPB) final rule on arbitration agreements (Final Rule), which was published in the *Federal Register* on July 19, 2017.

The Office of the Comptroller of the Currency has only begun its review of the CFPB's data and analysis underlying that agency's Final Rule. Nothing so far diminishes my concerns that the rule may adversely affect the institutions within the federal banking system and their customers.

The Final Rule prevents banks from using an effective risk mitigation tool and will eliminate one option consumers have to resolve their concerns without the cost and delay of litigation. Ultimately, the rule may have unintended consequences for banking customers in the form of decreased availability of products and services, increased related costs, fewer options to remedy consumer concerns, and delayed resolution of consumer issues. The rule may turn out to be the proverbial straw on the camel's back.

It is important that the OCC economists take the time necessary to conduct their independent review of the data and analysis used to support and develop the Final Rule. Unfortunately, since the CFPB published the rule in the *Federal Register* prior to providing its data for our analysis and we have requested additional data in order to conduct a thorough review, the OCC cannot complete our thorough review in the limited time before a petition must be filed with the Financial Stability Oversight Council (FSOC), pursuant to Section 1023 of the Dodd-Frank Act.

Given that Congress is considering use of the Congressional Review Act to overturn the CFPB's Final Rule, I will not petition the FSOC to stay the effective date of the rule. I hope Congress will act on this opportunity to preserve effective alternatives for consumers to resolve their disputes without lengthy and costly litigation and to reduce the "piling on" of legal and regulatory burden that I discussed in my testimony before the U.S. Senate Committee on Banking, Housing, and Urban Affairs, on June 22, 2017.

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