



Nonprofit Publisher
of Consumer Reports

July 20, 2009

Dear Representative,

On behalf of Consumers Union, the nonprofit, independent publisher of *Consumer Reports* magazine, I write to urge your support of HR 3126, the Consumer Financial Protection Agency (CFPA) Act of 2009. Consumers Union is working to ensure that the government's financial intervention and regulatory restructuring during this current financial crisis includes protections for taxpayers and consumers. U.S. consumers deserve better than a system that has delivered confusing products, gotcha terms and toxic features in financial products.

Consumer protection will be the sole priority for the CFPA. Its mission will be to provide effective federal oversight of financial products by requiring that these products and services be more "transparent, fair and understandable for consumers. The CFPA will be able to gather the information it needs to help consumers make fair and balanced choices based on actual market information. It will have the power to write and enforce rules, to fill the gaps under specific existing consumer protection statutes, and also to predict and prevent harm to consumers from new products and practices.

Consumers Union supports a CFPA for the following reasons:

- The CFPA's job will be to ensure that credit, deposit and payment products and services and related products and services, are being offered in a fair, sustainable and transparent manner. This job includes **quick responses to emerging harmful practices**, before they spread throughout the country or become large enough to undermine family economic stability or threaten the economy.
- The CFPA will **address all forms of credit, deposit, and payment products and services offered to consumers**. It can also address related products and services such as prepaid debit cards, loan servicing, debt collection, and debt-related services.
- The CFPA will have the job to **issue rules to set standards that will protect consumers from harmful and deceptive financial products**. This will promote honest competition, protect the economy, and most importantly provide a safety net for consumers.
- The CFPA will unite consumer protection rules under one roof. It will be the **one federal agency with the job of drafting consumer protection regulations for the variety of existing federal statutes**.
- The CFPA will have the **power to determine whether products, features, or practices are unfair, deceptive, abusive or unsustainable**. Its powers will include banning, restricting, or imposing conditions on such products, creating product standards, and requiring special monitoring and reporting.

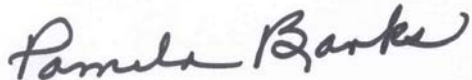
Consumers Union

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- Importantly, this new federal agency **won't stop states from protecting their residents, or consumers from protecting themselves**. Individuals, State Attorneys General, existing state and federal financial regulators, and the new agency will each have the ability to enforce consumer protection rules and laws. States could also develop and apply higher consumer protection standards.

I urge you to look out for consumers' interests when it comes to financial products, and crack down on abusive lending tactics that hurt our wallets, as well as our economy. Please support a Consumer Financial Protection Agency, and give consumers a fair shake when it comes to financial products and services.

Sincerely,

A handwritten signature in black ink that reads "Pamela Banks". The signature is written in a cursive, flowing style.

Pamela Banks
Policy Counsel