



January 15, 2010

Dear Senator:

As our economy struggles to regain its financial footing after the worst economic collapse since the Great Depression, the big banks that caused the crisis are now giving their executives big bonuses for a job well done. The very financial institutions that benefited from the billions of dollars in taxpayer bailouts are now investing millions of dollars to kill efforts to fix our financial system. At the top of their hit list is the Consumer Financial Protection Agency (CFPA). Consumers Union, the non-profit publisher of *Consumer Reports*[®], urges you not to allow these institutions to profit from their reckless behavior and then destroy any hope for legislation that would protect consumers from the kind of abusive financial practices that helped trigger our current economic crisis.

We urge you to strongly support a stand alone, fully empowered Consumer Financial Protection Agency (CFPA). The CFPA would protect consumers from abusive, unsafe and deceptive financial products and services. It would require that all financial disclosures be fair, transparent and easy to understand.

To be effective, the CFPA must have the necessary regulatory authority and resources to carry out its mandate to protect consumers. Among other things:

- the CFPA must cover all financial products including all financing-related activities such as credit, savings, and payment products and the providers of such products and services;
- the CFPA must have an independent budget funded by assessments from institutions under its authority ;
- the CFPA must have primary and independent rule writing, examination and enforcement authority that applies to both banks and non-banks;
- States should have full authority to enact consumer protection laws that enhance and expand the minimum federal standards set by the CFPA;
- CFPA rules should be enforceable by individuals, and those who violate CFPA rules must be accountable to the individuals they harm; and
- the CFPA must be explicitly tasked with protecting the civil rights of consumers to reduce disparities in lending.

Safe financial products are inextricably linked to the financial security of consumers and the overall safety of our broader economy. We must not allow history to repeat itself. We urge you to support a strong, independent CFPA.

Sincerely,

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