



Consumers Lose in CFPB Leadership Shakeup

As millions of American consumers try to start the New Year on the right foot, the Trump administration is working hard to undermine the financial wellness of our nation's consumers. The administration's recent changes to the Consumer Protection Financial Bureau ([CFPB](#)), which is charged with protecting consumers against the predatory and abusive practices that helped to bring about the Great Recession, will only make it more difficult for consumers to safely take out a mortgage, pay off student loans, buy a new car, and much more.

Since it began operations in 2011, the CFPB has proven itself an important advocate for consumers, delivering nearly [\\$12 billion in relief to more than 25 million consumers](#). But after Office of Management and Budget (OMB) Director Mick Mulvaney took control in November, the CFPB has done an about-face -- pushing through a slew of anti-consumer policy shifts, including [changing the agency's mission statement](#) in an effort to undo critical consumer safeguards, the exact opposite of the agency's purpose.

Mulvaney's actions should not be surprising. As a congressman, he had been extremely critical of the CFPB, calling for its defunding and [co-sponsoring a bill to eliminate the bureau](#). In his new position, Mulvaney and the CFPB's new leadership have worked to weaken regulations in key areas like mortgage lending, prepaid cards, [small-dollar loans, and debt collection](#). The agency [announced delays](#) to a rule on prepaid cards that would have limited consumer losses and decided to [give banks a free pass by freezing penalties](#) on violations of the Home Mortgage Disclosure Act (HMDA). Both of these moves were sought by financial industry trade groups. Mulvaney's CFPB seems to be doing the bidding of big banks rather than sheltering consumers from financial harm.

The CFPB is also beginning to shed responsibility for monitoring key markets that touch millions of American consumers. The agency's mandated biennial report on credit markets (CARD Act), the first major report released under Mulvaney's watch, is [missing previously standard sections](#) that recommend where the bureau can do more to help consumers and address regulatory shortcomings. The report even downplays the risks of several complex financial products, including subprime credit that precipitated the Great Recession.

This shirking of the CFPB's consumer protection responsibilities is coming at a time when consumers are still recovering from the Great Recession and many segments of America are [not seeing the benefits of higher pay](#). The last thing consumers need is the elimination of a key advocate in financial markets.

Instead of unraveling important consumer safeguards, President Trump and Congressional Republicans should work to shield consumers from unfair and deceptive practices and provide Americans with timely information to make responsible financial decisions. The CFPB is part and parcel of these goals and should be guarded as a key financial advocate for millions of working Americans.