



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 20, 2019
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 1500 – Consumers First Act

(Rep. Waters, D-CA, and 29 cosponsors)

The Administration strongly opposes House passage of H.R. 1500. This legislation would undermine the positive steps taken by the Consumer Financial Protection Bureau (CFPB) to increase transparency and accountability in the agency's operations, and would impede longer-term efforts to enact structural reforms contemplated since the agency's inception.

Created by the Dodd-Frank Wall Street Reform and Consumer Protection Act (P.L. 111-203), the CFPB regulates the offering and provision of consumer financial products and services under Federal consumer financial protection laws, develops consumer education initiatives, and researches and monitors the market for financial services. While established to pursue an important mission, the CFPB's unduly broad regulatory powers have contributed to past regulatory and enforcement abuses and excesses.

H.R. 1500 would direct the CFPB to pursue a short-term, partisan agenda, rather than one driven by its assessment of the needs of consumers. The Administration urges the Congress to abandon this effort in favor of enacting structural reforms that apply traditional checks and balances necessary to restrain arbitrary decision-making and curb the potential for future abuses in investigations and enforcement actions.

The Administration proposed legislative reforms to restructure and bring accountability to the CFPB in its Fiscal Year 2020 Budget, including reforms to subject the agency to the congressional appropriations process. Further, to prevent actions that unduly burden the financial industry and limit consumer choice, the Administration's proposal would limit the CFPB's duplicative and unnecessary supervisory authority, which disproportionately affects small institutions.

The structural changes the Administration has proposed would allow the CFPB to refocus its efforts on enforcing duly enacted consumer protection laws, rather than on developing and enforcing regulations of its own initiative. Instead, H.R. 1500 promotes a partisan policy agenda and sets a precedent for dictating the agendas of the independent regulators.

If H.R. 1500 were presented to the President, his advisors would recommend that he veto it.

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