

Congress of the United States
Washington, DC 20515

November 28, 2023

The Honorable Rohit Chopra
Director
Consumer Financial Protection Bureau
1700 G Street, NW
Washington, DC 20552

Dear Director Chopra:

We express strong concerns with the Consumer Financial Protection Bureau's (CFPB) Policy Statement on Abusive Acts or Practices¹ which the Bureau cited in yet another example of regulation by enforcement. In August 2023, the CFPB filed a lawsuit in South Carolina federal district court against a finance company, alleging unfair and abusive acts and practices.² However, the Bureau did not accuse the finance company of breaking any laws – federal or state. Instead, they relied on its own overly broad definition of “abusive.” The continued use of this policy raises serious questions concerning the agency's own authority under the Dodd-Frank Act.

In its Policy Statement, the Bureau finds the following to be abusive: fine print, form contracts, pop-ups or drop-down boxes, complicated products, profits, anything the consumer complains about, customer support taking too long, a consumer having to spend money, arbitration, and large companies.

Clearly, a Policy Statement this broad is, in itself, abusive. Financial institutions should not be penalized for failing to comply with impossible standards.

Furthermore, the CFPB should not be able to label any practice specifically allowed by state law as abusive. In the enforcement action, the CFPB claims that the finance company committed unfair and abusive acts and practices, despite the fact that the company was following the state laws in Alabama, Georgia, Oklahoma, South Carolina, Tennessee, and Texas.

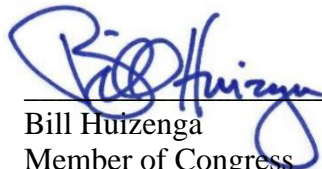
The Bureau's Policy Statement on Abusive Act or Practices is flawed, and we ask the CFPB to withdraw it immediately.

¹ https://files.consumerfinance.gov/f/documents/cfpb_policy-statement-of-abusiveness_2023-03.pdf


² https://files.consumerfinance.gov/f/documents/cfpb_heights-fka-southern_complaint_2023-08.pdf

Moreover, it has come to our attention that the CFPB is holding virtual meetings with only consumer advocates on this enforcement action and on other actions taken by the Bureau. If this is the case, we ask that industry participants and other stakeholders be afforded the same level of outreach to remove any perceived bias. We look forward to your timely response.

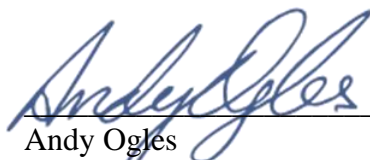
Sincerely,



Bill Huizenga
Member of Congress



Daniel Meuser
Member of Congress



Andy Ogles
Member of Congress