



PRESS RELEASE

AG Frosh to President Trump: Mulvaney’s Attacks on CFPB Should Disqualify Him from Leading Agency

AG Frosh Joins Coalition of 17 AGs Making Clear They’ll Redouble Efforts to Enforce Consumer Protection Laws, Even if CFPB Leadership Won’t

BALTIMORE, MD (December 12, 2017) – Maryland Attorney General Brian E. Frosh, joining a coalition of 17 state Attorneys General, today wrote President Trump to express unwavering support for the mission of the Consumer Financial Protection Bureau (CFPB), and made clear that state Attorneys General would continue to vigorously enforce consumer protection laws regardless of changes to the Bureau’s leadership or agenda.

[The letter](#) expresses deep concern regarding President Trump’s choice for Acting Director of the CFPB, Mick Mulvaney, noting Mr. Mulvaney’s widely reported statements disparaging the agency as “a joke” that represents “an awful example of a bureaucracy that has gone wrong.”

“Such statements about an agency that has helped millions of American consumers and achieved fundamental reform in a number of critically important areas of American commerce are categorically false, and should disqualify Mr. Mulvaney from leading the agency, even on an acting basis,” the Attorneys General wrote.

“As the top state law enforcement officials charged with investigating consumer complaints of fraudulent, deceptive, and abusive financial practices in our respective states, we know from firsthand experience that the need for strong consumer financial protection is undiminished in the years since the financial crisis,” the letter continues.

The letter highlights the CFPB’s effective advocacy on behalf of American consumers, having returned \$12 billion to more than 29 million consumers who were victims of unlawful mortgage servicing practices, abusive debt collectors, fraudulent debt settlement companies, abusive student loan servicers, and many other unscrupulous actors. It also emphasizes that the need for strong consumer financial protection is undiminished in the years since the financial crisis.

Moreover, the letter details the powerful partnership formed between the CFPB and state attorneys general. State Attorneys General have worked with the CFPB on numerous matters, including:

- Taking joint enforcement actions against companies that allegedly scammed 9/11 first responders afflicted with cancer and other serious illnesses out of millions of dollars in compensation fund payments;
- Filing suit against a nationwide network of dozens of fly-by-night debt collection shops that harassed, threatened, and deceived millions of consumers into paying inflated debts or amounts they did not owe;
- Investigating for-profit colleges, student loan originators and student loan servicers, and recovering \$183.3 million for 41,000 students nationwide in a settlement with Aequitas Capital Management, Inc., a lender that defrauded students at the Corinthian Colleges;
- Securing a nationwide settlement with Rome Finance, a consumer finance company that preyed on active duty US military personnel and their families with deceptive and usurious loans and abusive debt collection practices, ultimately recovering \$92 million dollars for more than 17,000 service members;
- Securing a nationwide settlement with Chase recovering \$136 million for 528,000 consumers who were victims of abusive credit card debt collection practices;
- Securing a settlement with SunTrust Mortgage, Inc. providing \$540 million in financial relief to consumers in order to settle allegations of systemic mortgage servicing misconduct, including robo-signing and illegal foreclosure practices; and
- Securing a settlement with the country's largest nonbank mortgage loan servicer, OcwenFinancial Corporation, and its subsidiary, OcwenLoan Servicing, to provide \$2 billion in principal reduction to underwater borrowers in order to settle allegations of systemic misconduct by Ocwen at every stage of the mortgage servicing process.

These actions have collectively benefited millions of working families, and have sent a strong message to would-be lawbreakers that “states and the federal government will work hand in hand to hold them accountable if they prey on American consumers.” As the letter notes, “it is our fervent hope that the CFPB and state Attorneys General will continue their close collaboration in defense of consumers for many years to come.”

Attorney General Frosh was joined by the Attorneys General of New York, California, Connecticut, the District of Columbia, Hawaii, Illinois, Iowa, Maine, Massachusetts, Minnesota, New Mexico, North Carolina, Oregon, Vermont, Virginia, and Washington State in signing [the letter](#).