



LEGISLATIVE ALERT

April 30, 2025

The Honorable French Hill, Chairman
U.S. House Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Maxine Waters, Ranking Member
U.S. House Committee on Financial Services
4340 O'Neill House Building
Washington, DC 20515

Dear Chairman Hill and Ranking Member Waters:

On behalf of the AFL-CIO, I am writing to express our opposition to the Financial Services Committee Print providing for reconciliation pursuant to H.Con.Res. 14 and urge members to vote against this ill advised legislation which directs the committee to cut at least \$1 billion to help pay for tax cuts for billionaires.

The legislation being considered today in addition to gutting the Financial Stability Oversight Council and the Treasury Department's Office of Financial Research, includes a full blown assault against the Consumer Financial Protection Bureau (CFPB) an agency created for the sole purpose of protecting consumers from unfair, deceptive, or abusive practices in the financial services industry. We also strongly oppose abolishing the Public Company Accounting Oversight Board (PCAOB) that was created to regulate the auditing profession after the corporate accounting scandals at Enron and Worldcom.

The AFL-CIO was central to the creation of the CFPB because we witnessed firsthand the devastation caused by Wall Street's unchecked greed during the 2008 financial crisis. Working people lost their jobs, homes, and life savings—sacrifices made while no one in Washington was standing up to the powerful financial interests responsible. And we were central to the passage of the bipartisan Sarbanes-Oxley Act that created the PCAOB in order to protect working people's retirement savings from accounting fraud and other wrongdoing.

Since its inception, the CFPB has delivered meaningful results for working families—returning more than \$21 billion to consumers cheated by big banks and financial wrongdoers. The agency has led the charge against deceptive practices in mortgages, credit cards, and other predatory financial products. Its recent efforts to rein in junk fees—such as finalizing a rule to cap excessive credit card late fees and proposing limits on punitive overdraft fees—represent a bold defense of consumers' rights. Additional initiatives include ensuring fair credit reporting, mitigating the harm of medical debt collection, combating inequities in home appraisals, and strengthening data privacy protections.

This legislation works to align Congress with the administration's efforts to tear apart the CFPB despite bipartisan support for the CFPB and the critical services and protections it provides. The legislation seeks to completely defund and shut down this critical agency, taking away consumers' only defender against big banks and corporations. This legislation slashes the CFPB's budget by 70 percent and empties the restitution fund it uses to repay consumers harmed by companies that are unable to pay damage.

Likewise, we strongly oppose abolishing the PCAOB as the independent watchdog of the auditors of public companies. Since its creation, the PCAOB has driven improved audit quality and enhanced the independence of company auditors for the benefit of investors including working people's retirement savings. Eliminating the PCAOB will weaken auditor oversight and undermine investor protection. At the 2002 stock market crash after the Enron and Worldcom accounting scandals showed, the retirement security of working people depends in significant part on having the PCAOB's independent oversight of the auditors of public companies, and transferring these responsibilities to the Securities and Exchange Commission is simply not justified.

The AFL-CIO remains proud of its role in the CFPB's and PCAOB's creation and stands in unwavering support of these agencies' mission to protect the financial future of America's workers. The Financial Services Committee Print providing for reconciliation pursuant to H.Con.Res.14 should be voted down.

Sincerely,

A handwritten signature in black ink, appearing to read "Jody Calemine".

Jody Calemine
Director, Government Affairs