



**FOR IMMEDIATE RELEASE**

**October 8, 2009**

**CITIES FOR FINANCIAL EMPOWERMENT COALITION URGES CONGRESS TO PASS  
LEGISLATION TO CREATE AN INDEPENDENT CONSUMER FINANCIAL PROTECTION  
AGENCY WITH REGULATORY AND ENFORCEMENT AUTHORITY**

*Cities Across the Nation Voice Support for Federal Financial Regulation of Bank and Non-bank  
Products Without Local Law Preemptions*

The Cities for Financial Empowerment (CFE) Coalition today urged members of Congress to support the creation of the proposed Consumer Financial Protection Agency (CFPA) to strengthen inadequate consumer protections within the financial services marketplace. In a letter submitted to the Senate Banking Committee and the House Financial Services Committee, the 10 member cities of the CFE Coalition – Chicago, Los Angeles, Miami, Newark, New York, Providence, San Antonio, San Francisco, Savannah and Seattle – collectively urged Congress to create the CFPA to improve access to safe and affordable financial products and increase fairness and transparency in the financial services industry.

City governments, like those in the CFE Coalition, are on the front lines of the financial crisis and its aftermath, rescuing and protecting their residents from the fallout of the foreclosure crisis and the ensuing economic downturn. In working to stabilize families and communities, these cities are also pioneering innovative strategies to help their residents find employment, reduce debt, and even begin to save and build assets for the future.

“Across America, city governments must fight an uphill battle when it comes to protecting their citizens in the financial services marketplace,” said CFE co-chair and New York City Department of Consumer Affairs Commissioner Jonathan Mintz. “The CFE Coalition strongly endorses the Obama Administration’s CFPA initiative, which would break the consumer protection glass ceiling once and for all.”

“In these difficult economic times consumers of financial products and services need all the protection that government can offer. As city leaders, we strongly support the creation of the CFPA and seeing the federal government expand critical financial safeguards for all Americans,” said CFE co-chair and San Francisco Treasurer José Cisneros.

The CFE Coalition conducts research and develops programs that promote financial empowerment and asset building among city residents with low incomes. These innovative programs have helped residents with low to moderate income living in some of the nation’s largest metropolitan areas access mainstream banking services and obtain high-quality financial education and counseling. The Coalition supports a CFPA that will ensure the following:

*(more)*

- 1. The CFPA must have authority over both bank and non-bank financial service providers.** Regulations should be tailored to products and services, rather than institution type. While it is important that the CFPA does not place an unnecessary regulatory burden on small, non-financial service businesses that extend minor credit to purchase goods, the CFPA's authority over non-banks must include businesses that routinely offer financing to consumers directly or for the purchase of consumer goods and services.
- 2. Federal rules should set a floor – not a ceiling – for state and local protections. And, in no event should preemption language undermine existing laws at the state and local levels.** States should retain their long-held authority to regulate the terms and conditions under which credit is extended in the state and to protect citizens of the state. We also support the provisions granting state Attorneys General concurrent enforcement authority over the consumer protection laws falling within the responsibility of the new agency.
- 3. A strong agency mandate will help to produce a safe and sound financial services marketplace.** The CFPA should have broad rule-making and enforcement authority so it can empower consumers to make informed choices about financial products and services.

For more information about the Cities for Financial Empowerment, or to read the CFE Coalition's letter to Congress, please visit [www.cfecoalition.org](http://www.cfecoalition.org).

The CFE Coalition is led by New York City Mayor Michael R. Bloomberg's representative, New York City Consumer Affairs Commissioner Jonathan Mintz, and San Francisco Mayor Gavin Newsom's representative, Treasurer José Cisneros. The other member cities are Chicago, Illinois; Los Angeles, California; Miami, Florida; Newark, New Jersey; Providence, Rhode Island; San Antonio, Texas; Savannah, Georgia; and Seattle, Washington. CFE cities capitalize on local governments' unique power and position to advance financial empowerment – work traditionally done in the nonprofit sector. In addition to the work CFE cities do locally, member cities work with key partners in the public, private and nonprofit sectors to leverage their collective power to advance the financial empowerment agenda on a state and national level. For more information, please visit [www.cfecoalition.org](http://www.cfecoalition.org).

-30-

MEDIA CONTACT: Elizabeth Miller (New York City)

(212) 487-4283