

Support Passage of the Strongest Combined Version of the Financial Regulatory Reform Bills

Please stand up for your constituents and the millions of Americans who want a tough Wall Street reform bill that brings common-sense oversight and real rules to our financial system. **Support passage of the strongest combined version of S 3217 and HR 4173.** There are good reforms in both bills, and we want to make sure the best of each are in the final product. **Please reach out to your colleagues to ensure:**

- **No special loopholes:** Auto dealers are among those trying to be exempted from the bill so the loans they make aren't subject to the same rules as other lenders. Some dealers steer customers into high interest-rate loans when consumers actually qualify for lower interest rates, costing Americans an estimated \$20 billion annually in overcharges. No industry, lender or financial entity should be exempted from the consumer protections in the legislation.
- **A more independent watchdog:** The new Consumer Financial Protection Bureau or Agency is critical for a fair financial system because its sole job is to look out for consumers when it comes to emerging schemes and rotten deals. To be truly aggressive and effective, this bureau needs a guaranteed, independent source of funding (S. 3217) so it can do its job right. It should not have funding that is subject to industry pressure. And it should have real, independent authority that cannot be overruled or vetoed by bank regulators.
- **End speculative bank investing:** It is vital to have a strong "Volcker rule" (S. 3217) if we're to stop the risky gambling with our investments. This measure prevents banks from making certain kinds of investments if they're not on behalf of customers; it stops them from investing in hedge funds or private equity funds. Banks should be banks, not casinos. American consumers are the lifeblood of banks, and we deserve to know that our deposits and investments will be protected from undue or hidden risk to ensure that taxpayers are never again on the hook for bank bailouts.
- **Protect investors:** All investment advisors should have a fiduciary duty to their clients first and foremost (H.R. 4173). And you should preserve existing Sarbanes Oxley reporting requirements, so we know that investment advisors are keeping honest books.
- **Regulate and shine light on derivative trading:** The reckless investments on Wall Street that ruined our economy were made possible by the hidden and largely unregulated trading of derivatives. It is time to strongly regulate these trades and bring them out into the public eye (S. 3217) so we can head off the types of dangerous trading that could collapse our economy again.
- **Let states protect their consumers:** Consumers want more "cops on the beat" to address new abuses before they spread and garner national attention, and consumer protection legislation must apply equally to federally chartered banks and thrifts AND to other types of financial services providers. State Attorneys General must be given the power to engage in law enforcement of both state and federal consumer protections laws and rules.

Please be a champion for financial consumers by supporting the strongest bill and oppose any attempts to water it down or fill it with loopholes. Americans have suffered long enough from weak financial regulation and too-cozy relationships between the big banks and the federal regulators. It's time to stand up for a common-sense, fair financial system that protects consumers and will allow our economy to prosper once again.

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