

Elizabeth Warren
Consumer Federation of America
Remarks as Prepared for Delivery
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Thank you, Paul, for that introduction, and thanks to Steve Brobeck, Rachel Weintraub, and everyone at CFA for inviting me to speak with you today.

It seems like we get together like this at the start of every new effort we undertake together. Four years ago, I came here to talk with you about a pie-in-the-sky idea for a consumer financial agency with the authority it would take to cut out the tricks and traps in financial products. We mobilized together for an epic battle – a real David-and-Goliath fight to create that agency. And we won—we won that one together! Then, just over two years ago, I was back as we worked to set up that little agency – talking about how we could have simple, clear disclosures that would work for consumers. And about how we could have a level playing field, where the big banks can't rig the game against either families or smaller financial institutions. We worked together on that too!

And now today, we embark together on what I hope will be some new journeys – and I suspect some new battles – in our work for consumers. It is a great pleasure to be here, and I am very glad to stand with you, shoulder to shoulder, as we fight for American families.

I am still new to the Senate, but I have had some time to think. It seems to me that one of our main challenges together in the coming months and years sounds a little familiar -- standing up to powerful interests that benefit from a system that is complicated and opaque. When risks and costs aren't disclosed, and when market data and information are not made publicly available, it's bad for families, it's bad for markets, and it's bad for our country. But not everyone wants consumers to be fully informed. They make their profits from hiding out in complex terms and reams of fine print. We stand up together against those powerful interests because we know that the game is rigged against consumers and we fight for a level playing field.

Government helps—or can help—level that playing field. Government—decent rules, fairly enforced—can make sure that customers and investors have the information they need to make informed choices. That means making sure that features of different products are clearly explained and comparable. It means making sure that consumers aren't being cheated by deceptive and fraudulent practices. And it means making sure that policymakers have the data they need to put in place some basic safety rules and to enforce those rules. When the features are clear and when data are available – when we have real transparency – it stops the spread of business models built on cheating consumers or dangerous products. It becomes harder to rig the system.

This is something consumer safety agencies have done for years. The Food and Drug Administration makes sure that drugs are safe and accurately labeled. The National Highway Traffic Safety Administration oversees crash tests on new automobiles to improve passenger safety. The Consumer Product Safety Commission makes sure that baby cribs don't strangle infants and—my personal favorite—that toasters don't explode.

The work of those agencies enjoys widespread support, and their work puts some limits on risks that consumers cannot detect on their own at the time of purchase. As many of you have heard me say before, it's thanks to federal agencies that no one can compete in the appliance industry by leaving the safety switches out of toasters. It's thanks to federal agencies that no one has to worry that those white pills are baking soda instead of antibiotics or that the paint on the baby's crib is laced with lead. It's thanks to federal agencies that consumers can comparison shop knowing that sellers aren't offering a cheaper price by putting their families' safety at risk.

Those agencies have made the markets they regulate work better. When they clamp down on deceptive and dangerous innovations, they make room in the marketplace for good innovations. And while many of our regulatory agencies have experienced controversy, over time they have built up a lot of support from the American public. You tell me: When was the last time you heard someone call for regulators to go easier on companies that want to use lead paint on our children's toys or leave the safety switches off toasters?

There are a lot of regulatory successes, and a lot of people are alive today because of those regulations. But there are still too many places where the world remains complicated and opaque. There are still too many places where armies of lobbyists are fighting to rig the system so that the public remains in the dark.

Right now, for example, we're having a major national debate on gun violence. If as many people were dying of a mysterious disease as innocent bystanders are dying from firearms, a cure would be our top priority. Gun violence is an epidemic, an epidemic that kills our children, our friends, our neighbors. But we don't even have good data on gun violence. Why? Because the NRA and the gun industry lobby made it their goal to prevent any serious effort to document the violence. In 2012, the CDC, which conducts research on how other forms of violence affect public health – spent \$100,000 out of its \$5.6 billion budget on firearm injury prevention. Just for comparison, the NIH spent \$21 million on studying headaches. Think about that. If that's not bad enough, here's another one: When cities and local governments collect data about guns used during crimes, the ATF is banned from using an electronic database to manage the data. Keeping the public in the dark is dangerous—and it blocks us from making our children safer.

Or take our system of elections – the very heart of democracy. When the Supreme Court decided in *Citizens United* that it would let corporations spend as much money as they pleased on elections, they unleashed a powerful group of millionaires and billionaires who would spend hundreds of millions of dollars to influence outcomes—all in secret. And when there was a push in Congress to require disclosure of corporate spending on elections, armies of corporate lobbyists used their influence to kill it—and to keep the American people in the dark. The SEC is considering a proposed rule requiring public companies to disclose political spending. I hope it will be a step in the right direction, but I have no doubt that powerful interests already have that rule in their sights. They want to keep people in the dark.

And then there's the consumer agency. The CFPB was designed from the very beginning to cut out tricks and traps in consumer finance and add transparency to the marketplace. We fought for that agency together!

The agency has proven itself—and so has its director, Rich Cordray. Both consumer and industry groups have applauded the balanced rulemaking and measured approach. The agency is doing a great job using data and smarter disclosure to help consumers and make our market work better.

This agency is about making consumer credit clear—no more hiding tricks and traps in a thicket of fine print. It is about letting consumers see the deal—and not worrying about the things they can't see.

But a group of Senators wrote to the President last month insisting that he change the structure of the CFPB before they would ever confirm a Director—any Director. Blocking Rich Cordray is about weakening the agency. Blocking Rich Cordray is about keeping the game rigged, keeping the game rigged so that consumers remain in the dark—and a few bad actors can rake in big profits.

I know I'm preaching to the choir here at CFA, but it is time for Washington to stop protecting a handful the big guys. They can protect themselves. We had a confirmation hearing for Rich on Tuesday, and I have to tell you – I thought Rich did just great and that he deserves an up or down vote. It's time for an up or down vote.

This will be a hard fight, but I believe in what we can do together.

We're fighters—the people in this room and the consumers you represent all across the country. We are tough, resourceful, and creative. We can level the playing field. And every time we do that, we get safer and stronger.

I admire all you have done on behalf of hard-working, play-by-the-rules families. I know there will be many battles ahead, but I know we can do this.

Thank you for having me here today, and thank you for all you do.