

Consumer Federation of America

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MILITARY AND CONSUMER GROUPS OPPOSE REWORKED BROWNBACK AMENDMENT

Modifications to amendment won't stop unscrupulous auto dealers

Washington, D.C. – In a <u>letter</u> to Senators yesterday, military and consumer groups warned that the modified Brownback Amendment to financial reform legislation would do nothing new to stop automobile dealers from engaging in fraudulent or abusive practices. Senator Brownback has revised his amendment, which exempts auto dealers from the authority of the proposed Consumer Financial Protection Bureau (CFPB), to require the bureau to provide financial education for military families targeted by unscrupulous dealers. The letter was signed by the Fleet Reserve Association, the Military Officers Association of America, the Navy Marine Corps Relief Society, Center for Responsible Lending, Consumer Federation of America, National Association of Consumer Advocates, and National Consumer Law Center (on behalf of its low-income clients).

"Senator Brownback modified his amendment to try to win over the military, but his changes do nothing to stop unscrupulous auto dealers from targeting and taking advantage of our troops," said Susan Weinstock, Financial Reform Campaign Director at the Consumer Federation of America. "While good financial counseling can help consumers make smart purchasing decisions, it is no substitute for vigorously enforcing the law to prevent unfair and deceptive practices."

<u>The Secretary of the Air Force Michael Donley, The Secretary of the Army John</u> <u>McHugh</u>, the <u>Undersecretary of Defense Clifford Stanley</u>, and <u>The Military Coalition</u> of 31 organizations representing Service members and their families, have each sent a letter opposing the Brownback amendment. "Senator Brownback's changes to his amendment are window dressing," said Weinstock. "The various branches of the military already provide training on auto purchases to the troops, but auto dealers continue to scam Service members and consumers because oversight is so weak," continued Weinstock. "We urge all Senators to vote to protect our troops, and all consumers, by empowering the CFPB to shut down these unscrupulous dealers and vote no on the Brownback amendment."

The Consumer Federation of America is a non-profit association of more than 280 groups that, since 1968, has sought to advance the consumer interest through advocacy and education.