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Consumer Groups Urge Supreme Court to Uphold the Constitutionality of the CFPB

Washington, D.C. – The Fifth Circuit's radical and unprecedented decision in the case of *CFPB vs. CFSA*, if confirmed, would undermine the critical work carried out by the CFPB in protecting consumers and enforcing regulations against deceptive practices by Wall Street and predatory lenders, according to [an amicus brief filed by consumer advocates](#).

Americans for Financial Reform, Public Citizen, Consumer Federation of America, National Consumer Law Center, US PIRG, National Association of Consumer Advocates, Consumer Action, Consumer Reports, Student Borrower Protection Center and the Electronic Privacy Information Center all joined the brief.

The court of appeals' decision incorrectly characterizes the CFPB's funding statute as a violation of the Appropriation Clause, disregarding the fact that the statute fully aligns with the clear command of this passage. It requires federal expenditures to be authorized by law, as this amicus brief explains and the 2nd Circuit recently [confirmed](#).

"Upholding the Fifth Circuit's decision on the CFPB would be catastrophic," said **Elyse Hicks, consumer policy counsel at Americans for Financial Reform**. "The Supreme Court should preserve the integrity of the Constitution and rectify this misguided decision as soon as possible and recognize the vital role of the CFPB in protecting consumers."

"Never before has any court held that a law passed by Congress to fund a federal agency is not a proper 'appropriation' under the Constitution," said **Scott Nelson, attorney at Public Citizen Litigation Group** and principal author of the brief. "The Appropriations Clause challenge to the CFPB is a made-up theory aimed only at destroying an agency whose job is to serve consumers instead of monied interests."

"Congress provided the CFPB with a consistent funding stream to safeguard its ability to effectively do its job— just like many other agencies and programs throughout our federal government," said **Rachel Gittleman, financial services outreach manager with Consumer Federation of America**. "The 5th Circuit's ruling was both unprecedented and radical, and the Supreme Court should reverse this harmful decision for the sake of consumers and the economy."

"Responsible banks and financial players, like consumers, benefit from the CFPB's work to level the playing field, and that work is jeopardized by the Fifth Circuit's unprecedented decision to destabilize the CFPB's funding," **said Lauren Saunders, associate director of the National Consumer Law Center.**

"The CFPB plays a critical role in protecting and empowering consumers, enabling them to safely use financial services without fear of being exploited," said **Jennifer Chien, senior policy counsel for Consumer Reports.** "The Supreme Court should reject this radical attempt by payday lenders to undermine the CFPB so it can continue its vital work protecting families from predatory practices and ensuring they are treated fairly by financial institutions."

"The CFPB has been consumers' best defender of financial consumer protections for more than a decade," said **Ruth Susswein, Consumer Action's Director of Consumer Protection.** "We urge the Supreme Court to discard the Fifth Circuit's decision to hold the CFPB to a different standard than other regulators, and ensure that the CFPB can continue to focus on fairness and accountability without fear of political repercussions."

"Despite -- or likely, because of -- its record, the CFPB finds itself under attack by special interests intent on seeing it weakened," said **Mike Litt, consumer campaign director at PIRG.** "When Congress created the CFPB in the wake of the 2008 economic crash, it clearly used its Constitutional authority to provide a reliable and annually capped source of funding for the agency to do its one job of protecting consumers."

"The CFPB is a champion for consumer rights. That is why some industry interests are so desperate to undermine it," said **Megan Iorio, senior counsel at the Electronic Privacy Information Center.** "The Court should reject these latest attacks on the CFPB and let the agency continue its vital work."

"For more than a decade, the CFPB has stood up to the most powerful financial interests in the world and protected consumers from predatory actors," said **Persis Yu, Deputy Executive Director at the Student Borrower Protection Center.** "The court must stand up for the rule of law and strike down these baseless, cynical legal gambits."

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