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ATTORNEY GENERAL RAOUL ACTS TO PRESERVE IMPORTANT CONSUMER PROTECTIONS

Raoul, 23 AGs File Amicus Brief Arguing in Support of the Consumer Financial Protection Bureau and Federal Consumer Protections

Chicago — Attorney General Kwame Raoul today joined a coalition of 24 attorneys general fighting to ensure that states can continue to benefit from Title X of the Dodd-Frank Act that protect consumers from fraud and abusive consumer practices. [In an amicus brief](#) filed in *Seila Law, LLC v. Consumer Financial Protection Bureau*, Raoul and the coalition argue that the U.S. Supreme Court should preserve the Consumer Financial Protection Bureau (CFPB) and other significant consumer protections provided by Title X.

“The Consumer Financial Protection Bureau and provisions of Title X are important tools that have bolstered my office’s work to protect thousands of Illinois residents and help them seek relief from fraud,” Raoul said. “I am committed to fighting any effort to eliminate tools that allow states to protect our residents from fraud and abuse by bad actors.”

In 2017, the CFPB commenced an investigation into the California law firm Seila Law for its debt-relief practices. Seila Law sought to block the investigation entirely, arguing that the CFPB is unconstitutionally structured because the CFPB director may only be terminated by the president “for inefficiency, neglect of duty, or malfeasance in office.” According to Seila Law, this for-cause removal provision infringes on executive power and violates the Constitution’s separation of powers clause. The U.S. District Court for the Central District of California and U.S. Court of Appeals for the 9th Circuit both rejected Seila Law’s arguments and upheld the constitutionality of the CFPB.

Seila Law appealed to the U.S. Supreme Court, arguing that the CFPB is unconstitutional and that Title X of the Dodd-Frank Act — which includes the provisions that created the CFPB, as well as powerful new tools for state consumer protection enforcement — must be struck down.

In the amicus brief filed today, Raoul and the coalition argue that the CFPB’s structure is constitutional, and that — even if the for-cause removal provision is invalid — the CFPB and the rest of Title X should survive. The brief highlights the many ways that the states have worked cooperatively with the CFPB to root out fraud and abusive consumer practices in the market, including joint enforcement actions and information sharing. The brief also underscores the importance of various provisions of Title X that are unrelated to the CFPB but give the states powerful tools to combat fraud and abusive practices. These provisions provide important support to the states’ efforts to protect consumers and are independent of the CFPB. The brief concludes by arguing that these new state powers should survive even if the for-cause removal provision or the CFPB itself is unconstitutional.

Joining Raoul in filing the brief are the attorneys general of California, Colorado, Connecticut, Delaware, Hawaii, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Vermont, Virginia, Washington, Wisconsin and the District of Columbia.