

**COMMUNICATION FROM ACADEMIC FACULTY WHO TEACH COURSES  
RELATED TO CONSUMER LAW AND BANKING LAW**

**FOR RELEASE ON SEPT. 29, 2009 AT 10:00 AM:**

**Consumer and Banking Scholars  
Show Support for the Consumer Financial Protection Act**

Hempstead and Jamaica, NY – On September 30, 2009, the House Financial Services Committee, chaired by Representative Barney Frank, will hold hearings on H. 3126, titled “the Consumer Financial Protection Act” which would create an independent Consumer Financial Protection Agency. Today more than seventy law scholars who teach in fields related to consumer law and banking law have signed a detailed Statement of Support demonstrating their strong views about the importance of this legislation.

The faculty endorsing the Statement of Support include leading scholars who teach in fields related to consumer law and banking law who teach at many of the nation’s leading American law schools—in states including Alabama, Arizona, California, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Maryland, Massachusetts, Minnesota, Missouri, Nebraska, New Jersey, New York, Nevada, North Carolina, Ohio, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Washington, Wisconsin, and Wyoming as well as Washington, D.C. The signatories have no economic stake in the passage of this legislation.

The Statement concludes that on balance, the existing regulatory structure places “a higher value on protecting the interest of financial product vendors who promote complex debt instruments using aggressive sales practices, than on protecting the interests of consumers in transparent, safe, and fair financial products.”

The body of the Statement is 8 pages long, single-spaced. It refers specifically to dozens of scholarly articles and studies demonstrating that at “critical moments of consumer confusion and vulnerability,” the existing regulators “have been unwilling to expend resources to develop appropriate rules and guidelines and to police mortgage and credit instruments.” The Statement urges passage of H. 3126 because “consolidated authority and a dedicated consumer-oriented mission would be likely to improve public confidence in the safety and efficiency of the vast consumer financial products marketplace.” It further provides an analysis of desirable aspects of the legislation and points to extensive scholarship supporting the need for a new approach to handling consumer financial regulation.

For further information please contact the signatories of the Statement at their home institutions or:

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