

**Remarks by Senator Elizabeth Warren
National Consumer Law Center
Consumer Rights Litigation Conference**

As Prepared for Delivery

Thank you, Will and Janet, for that introduction and for inviting me to join you today.

I've now been in the U.S. Senate for almost a year. In fact, yesterday was the one-year anniversary of Election Day. You might not know it from the way the President is treated around Congress, but he beat the other guy by about five million votes. So it's a very special anniversary.

Since I got to the Senate, I've often been asked: "Elizabeth, what have you learned since you got back to Washington, and do you see the world any differently now that you are in this new position?" Since I am among friends, I want to be a little blunt. I ran for office because I believe the playing field is rigged. Evidence of that is everywhere. Now I've been in the Senate for nearly a year and believe as strongly as ever that the system is rigged for powerful interests and against working families. That's why I wanted to be here with you today.

I have been fighting shoulder to shoulder with NCLC for a very long time now, and I have seen how hard you work to stand up for consumers and to level the playing field for working and middle class families. We've fought to protect consumers from tricks and traps in the credit industry time and again. We've fought together for the new consumer agency. We've fought to make sure more families have access to mortgage modifications that can help them stay in their homes. And so I wanted to be here today to thank you for everything you are doing, day in and day out, in Washington and across the country, to fight for people.

We could talk about a lot of ways the system is rigged—lobbyists, campaign finance, the court system. But I want to raise a very specific issue that we need to spotlight: how much powerful interests benefit from a system that is complicated and opaque.

For me, it all started with fine print. When credit card deals get long and complicated, when they are loaded with odd terms and complicated definitions, when they are just plain long, then the field just tilted. The company that wrote the forms could hire an army of lawyers and research all the variations in the law and carefully word every line so that it works for the company and not for the customer. Fine print gave companies a chance to hide in all kinds of traps in the bushes, and that was true not just for credit cards, but also for bank fees and mortgages and all kinds of other agreements.

If customers, people who are trying to cook dinner for the kids, check homework and pay the bills, can't really assess the costs and risks, then the market breaks down. Lenders who build business models based on tricking and trapping people will make big profits, and honest dealers will have a hard time competing.

Government helps—or can help—level the playing field. Government—decent rules, fairly enforced—can make sure that customers and investors have the information they need to make informed choices. But that information can't be buried in the fine print. The information has to be useful and clearly explained. It has to be easy to compare one product with another. In other words, complex disclosures aren't real disclosures at all.

For years, consumer safety agencies have made sure that customers get what they see. When a bottle is labeled “aspirin,” the Food and Drug Administration makes sure that's exactly what it is. When a new car is sold, the National Highway Traffic Safety Administration makes sure it has adequate brakes and seat belts. When a new parent buys a crib, the Consumer Product Safety Commission makes sure that it is a safe place for sleeping and not set up to strangle infants. And, my personal favorite, when someone buys a toaster, they don't have to read a wiring diagram to know that it won't explode.

The work of those agencies enjoys widespread support, and it puts some limits on risks that consumers cannot detect on their own at the time of purchase. 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 slats on the baby's crib are far enough apart for the baby's body or head to slip through. 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 the basic rules of the road NCLC and others have fought for. 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.

Earlier this year, for example, we had 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 and we'd still be talking about it. 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 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 makes it that much harder to keep our children safe.

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 could 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.

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! And we won!

The agency is about making consumer credit clear—no more hiding fees and penalties in a thicket of fine print. It is about letting consumers see the deal—and putting them at ease about the things they can't see.

And it's already starting to make some real progress. Look, no agency is perfect and no rule is flawless. But just look at what has already been accomplished. The agency has put in place new mortgage and credit card rules so that millions of people won't be trapped into buying exploding mortgages. It has forced credit card companies to refund about three-quarters of a billion dollars that they tricked consumers out of. Its complaint center is giving tens of thousands of people a chance to fight back when they are cheated. The agency has begun to make the consumer financial markets work more efficiently and dial down the kinds of risks that nearly sparked a second Great Depression. This new agency *matters*, and it is already starting to make a real difference.

But we all know that the fight isn't over and that the lobbyists are still working to undercut the agency's work. And we know the progress we've made didn't happen because reform falls out of the sky. It didn't happen because the industry learned its lesson and called for a tough new watchdog. It happened because *we* fought, and when we fought, we won. We got a strong, independent agency designed to look out for working families.

The people in this room and the consumers you represent all across the country are fighters. We are tough, resourceful, and creative. We can take steps to level the playing field. We have succeeded in so many critical areas in the past, and I know we will succeed again in the future. Reform isn't easy, but when we succeed – when we increase transparency and fight for fairness - we get safer and we get 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, and I look forward to standing shoulder to shoulder once again with NCLC.

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

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