

Republican Witnesses Nothing More Than Industry Mouthpieces

As the House Financial Services Subcommittee on Financial Institutions and Monetary Policy prepares to hold a hearing entitled, "Revamping and Revitalizing Banking in the 21st Century" on February 8th at 10:00am, an Accountable.US review of witnesses Jim Reuter and John Berlau shows these individuals are perfect witnesses for the new Republican majority's focus on industry concerns.

Jim Reuter, the president and CEO of the Colorado-based FirstBank, is a longtime member of the American Bankers Association's (ABA's) leadership, having served as chair of its American Bankers Council and a member of its Government Relations Council, Venture Investment Committee, Payments System Advisory Committee, and board of directors. Reuter has also contributed to the American Bankers Association's finances through just over \$25,000 to the American Bankers Association PAC, and the affiliated Colorado Bankers Association PAC. Reuter has frequently spoken on behalf of the ABA, often criticizing the impact financial regulation has on bank consolidations. Interestingly, as the [Biden administration](#) and [Consumer Financial Protection Bureau \(CFPB\)](#) set its eyes on "junk fees," including [overdraft fees](#) and [credit card late fees](#), Reuter's FirstBank made \$43.4 million in 2022 from service charges on deposit accounts, including \$17.3 million from overdraft fees alone.

John Berlau is currently a senior fellow and the director of finance policy at the Competitive Enterprise Institute—a conservative free-market think tank that [promotes less regulation](#) for financial markets. Berlau has made a career of disseminating industry talking points and praising government regulators along partisan lines. Berlau [defended](#) former CFPB Director Kathy Kraninger claiming she had "caught much flak" for implementing policies that lowered regulations but [called](#) on former President Donald Trump to remove then-CFPB director Richard Cordray, and has repeatedly claimed the CFPB is unconstitutional under the Obama and [Biden Administrations](#). In October 2022, he even claimed CFPB Director Rohit Chopra and FTC Chairwoman Lina Khan created the term "junk fees" for fees they ["simply do not like."](#)

Finally, Berlau has spouted industry talking points. He has repeatedly defended fintechs claiming they are crucial partners for smaller banks, [claiming](#) fintechs widen consumers' access to credit and [cited](#) talking points from the Independent Community Bankers of America that overturning the Trump OCC's "[True Lender Rule](#)" was bad for community banks. Meanwhile, Berlau has failed to acknowledge that [fintechs fueled pandemic](#) Paycheck Protection Program fraud.

FirstBank President And CEO James "Jim" Reuter

FirstBank CEO Jim Reuter Is A Longtime Member Of The American Bankers Association's (ABA's) Leadership, Including Serving As Chair Of Its American Bankers Council And Holding A Seat On Its Government Relations Council, Among Others.

Jim Reuter Is The CEO Of FirstBank, Having Worked At The Bank Since 1987 And As Its President And CEO Since 2017.

Jim Reuter Is The CEO Of FirstBank, Having Worked At The Bank In A Variety Of Senior Positions Since 1987. "Jim Reuter is Chief Executive Officer (CEO) of FirstBank. Reuter has extensive banking experience, starting his career at FirstBank in 1987 and holding several different roles within the organization. He previously served as FirstBank's Chief Operating Officer (COO) where he oversaw many of the bank's

divisions, including: loan/mortgage operations, IT, online banking, payments, contact center, online account/loan acquisition, and treasury management." [American Banker, accessed [02/03/23](#)]

According To His LinkedIn, Reuter Has Been The President And CEO Of FirstBank Since February 2017. [LinkedIn, accessed [02/06/23](#)]

FirstBank, Which Claims To Be "One Of The Largest Privately Held Banks In The Nation," Has Over 100 Locations In Colorado, Arizona, And California. "FirstBank started from humble beginnings in 1963, and has since grown to be one of the largest privately held banks in the nation with over \$27 billion in assets and over 100 locations throughout Colorado, Arizona, and California." [FirstBank, accessed [02/06/23](#)]

Jim Reuter Is A Longtime Member Of The American Bankers Association's (ABA's) Leadership, With ABA President Rob Nichols Praising Him As "'One Of Banking's Most Dedicated And Innovative Executives'" During Reuter's Appointment To Serve As Chair Of ABA's American Bankers Council.

August 2020: Jim Reuter Was Announced As Chair Of The American Bankers Association's American Bankers Council, A "Banker-Driven Peer Group For Midsize Bank Chief Executives," For The 2020-21 Membership Year. "The American Bankers Association today announced that Colorado banker Jim Reuter will chair its American Bankers Council—the banker-driven peer group for midsize bank chief executives—for the 2020-21 membership year. Reuter is president and CEO of Denver-based FirstBank, where he has worked for 33 years, previously serving as COO." [ABA Banking Journal, [08/13/20](#)]

- **In Announcing Reuter's Appointment As Council Chair, American Bankers Association President Rob Nichols Praised Reuter As "'One Of Banking's Most Dedicated And Innovative Executives'" And An "'Ideal Choice To Lead ABA's American Bankers Council.'"** "Jim is one of banking's most dedicated and innovative executives, and an industry leader in the payments and technology space," said Rob Nichols, ABA president and CEO. "He is an ideal choice to lead ABA's American Bankers Council and to help us better understand the challenges and opportunities facing midsize banks at this important moment for our industry and the country." [ABA Banking Journal, [08/13/20](#)]

Reuter Previously Served On The American Bankers Association's Government Relations Council, Venture Investment Committee And Payments System Advisory Committee, As Well As Its Board Of Directors. "Prior to his service as ABC chairman, Reuter chaired ABA's Government Relations Council, Venture Investment Committee and Payments System Advisory Committee. He also serves on ABA's board. At FirstBank, Reuter has played a major role in the bank's deployment of innovative technology on its in-house core platform and launching new payment offerings like Zelle." [ABA Banking Journal, [08/13/20](#)]

Since 2004, Jim Reuter Has Donated Just Over \$25,000 To The American Bankers Association, And The Affiliated Colorado Bankers Association.

Since 2017, Jim Reuter Has Donated \$20,500 To The American Bankers Association, The "Voice Of The Nation's \$23.6 Trillion Banking Industry."

The American Bankers Association Considers Itself The "Voice Of The Nation's \$23.6 Trillion Banking Industry," Representing "Small, Regional And Large Banks." "The American Bankers Association is the voice of the nation's \$23.6 trillion banking industry, which is composed of small, regional and large banks that together employ more than 2 million people, safeguard \$19.4 trillion in deposits and extend \$12 trillion in loans." [American Bankers Association, accessed [02/06/23](#)]

Jim Reuter Has Donated \$20,500 To The American Bankers Association PAC Since 2017:

Name	Recipient	Employer	Date	Amount
Reuter, James A Mr.	American Bankers Association PAC (BANKPAC)	FirstBank Holding Company	7/19/21	\$5,000.00
Reuter, James A Mr.	American Bankers Association PAC (BANKPAC)	FirstBank Holding Company	9/23/20	\$5,000.00
Reuter, James A	American Bankers Association PAC (BANKPAC)	FirstBank Holding Company	3/1/19	\$5,000.00
Reuter, James A Mr.	American Bankers Association PAC (BANKPAC)	FirstBank	3/7/18	\$5,000.00
Reuter, James A Mr.	American Bankers Association PAC (BANKPAC)	FirstBank	11/6/17	\$500.00
			TOTAL:	\$20,500

Since 2004, Jim Reuter Has Donated \$4,750 The Colorado Bankers Association, One Of 51 "Autonomous State Bankers Associations" Working In Coordination With The American Bankers Association.

The Colorado Bankers Association Is One Of 51 "Autonomous State Bankers Associations" That Works With The American Bankers Association "In An Alliance To More Effectively Represent The Banking Industry And Promote The Varied Interests Of Our Members." "The American Bankers Association and 51 autonomous state bankers associations collaborate in an alliance to more effectively represent the banking industry and promote the varied interests of our members, particularly in the area of advocacy. To the extent possible, the ABA and State Associations work together to support the industry consensus, and to improve the competitive positions of America's banks." [American Bankers Association, accessed [02/06/23](#)]

Jim Reuter Has Donated \$4,750 To The Colorado Bankers Association PAC Since 2004:

Name	Recipient	Employer	Date	Amount
Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	11/15/17	\$1,000.00
Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	11/8/16	\$500.00
Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	10/19/15	\$500.00
Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	10/17/14	\$300.00
Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	10/16/13	\$600.00
Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	10/18/11	\$300.00
Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	10/19/09	\$250.00
Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	9/25/08	\$250.00
Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	10/2/07	\$250.00
Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	9/20/06	\$300.00
Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	12/8/05	\$250.00

Reuter, James	Colorado Bankers Association Political Action Committee	FirstBank	6/14/04	\$250.00
			TOTAL:	\$4,750

In Previous Congressional Testimony, Reuter Has Complained About Government Regulations, Blaming Them For The Increase In Bank Consolidations.

During A 2021 Testimony On Behalf Of The American Bankers Association, Reuter Praised The Banking Industry For Supporting The Economy During The Covid-19 Pandemic While Suggesting Government Regulation And Credit Union Subsidies Had Caused The Increase In Bank Consolidations.

September 29, 2021: Reuter Testified On Behalf Of The American Bankers Association During A Hearing Of The House Financial Services Subcommittee On Consumer Protection And Financial Institutions Focused On The "Future Of Banking And How Consolidation, Nonbank Competition And Technology Are Re-Shaping The Industry." "The American Bankers Association testified today before the House Financial Services subcommittee on Consumer Protection and Financial Institutions, offering the industry's perspective on the future of banking and how consolidation, nonbank competition and technology are re-shaping the industry. Jim Reuter, president and CEO of Denver-based FirstBank, testified on behalf of ABA." [American Bankers Association, [09/29/21](#)]

In His Written Testimony, Reuter Praised The Banking Industry For Supporting The Economy During The COVID-19 Pandemic, Stating, "America's Banks Took Extraordinary Steps To Prioritize The Health And Safety Of Bank Employees And Customers, While Ensuring That The Banking System Remained Fully Open And Operational." "In his written testimony, Reuter reflected on the critical financial support banks provided to the economy during the COVID-19 pandemic. 'America's banks took extraordinary steps to prioritize the health and safety of bank employees and customers, while ensuring that the banking system remained fully open and operational,' he said. 'Banks have maintained near record capital levels throughout the crisis despite the economic disruption. We have also absorbed a record flood of deposits as Americans relied on banks to safeguard their finances during these uncertain times as they always do.'" [American Bankers Association, [09/29/21](#)]

Reuter Also Suggested Government Regulation Has Increased The Number Of Bank Consolidations, As Well As Credit Union Tax Subsidies. "Beyond the pressures of technological transformation, bank consolidation has likely been accelerated by certain policy decisions, including regulatory rules that require significant upfront and ongoing expenditures and result in disproportionate returns to scale. A new factor driving the decrease in the number of banks is the continuing credit union tax subsidy which credit unions are using to acquire tax-paying banks in unprecedented numbers." [American Bankers Association, [09/29/21](#)]

During This Same Testimony, Reuter Criticized The Biden Administration's Plan To Require Banks To Report Certain Customer Inflows And Outflows To The IRS, Calling Them "Yet Another Regulatory Burden That Would Only Lead To Further Consolidation In The Industry."

During This Same September 2021 Testimony, Reuter Spoke Out Against Biden Administration Plans "Requiring Banks To Report Information To The IRS On Gross Inflows And Outflows On Customer Accounts," Stating They Were "Yet Another Regulatory Burden That Would Only Lead To Further Consolidation In The Industry." "Testifying before a House Financial Services subcommittee today, bank CEO Jim Reuter said that a controversial proposal by the Biden administration requiring banks to report information to the IRS on gross inflows and outflows on customer accounts, 'is yet another regulatory burden

that would only lead to further consolidation in the industry.' 'Administratively, the cost would be significant,' said Reuter, president and CEO of Denver-based FirstBank. 'We don't track [the data] in the manner that's being contemplated here. We might look for anomalous activity or fraud but we aren't tracking it in a way that meets what the IRS is looking for.'" [ABA Banking Journal, [09/29/21](#)]

In October 2021, Reuter Was Quoted In A New York Times Article About The IRS Reporting Requirement, Stating "we're In The Trust Business. And It Just Goes Without Saying That Sending The Customer's Information Somewhere Without Giving Consent — That's Not What We Do As A Bank."

"Jim Reuter, the chief executive of FirstBank near Denver, said concerns about the potential provisions have bubbled up frequently, including over a coffee he had with a small-business owner in early October. 'Their upshot is, 'I pay my taxes, so why would you be sending additional information to the I.R.S.?' " Mr. Reuter recalled. 'I said I agree with them. We're in the trust business. And it just goes without saying that sending the customer's information somewhere without giving consent — that's not what we do as a bank.'" [New York Times, [10/11/21](#)]

December 2022: The Internal Revenue Service Announced It Would Be Delaying The Third-Party Reporting Requirements For The Upcoming Tax Filing Season. "The Internal Revenue Service today announced a delay in reporting thresholds for third-party settlement organizations set to take effect for the upcoming tax filing season. As a result of this delay, third-party settlement organizations will not be required to report tax year 2022 transactions on a Form 1099-K to the IRS or the payee for the lower, \$600 threshold amount enacted as part of the American Rescue Plan of 2021." [Internal Revenue Service, [12/23/22](#)]

2022: Nearly 40% Of FirstBank's \$43.4 Million In Service Charges Were From Overdraft-Related Fees.

2022: FirstBank Made \$43.4 Million In Service Charges, Over \$17 Million Of Which Were From Overdraft-Related Fees.

In 2022, FirstBank Made \$43.3 Million On Service Charges On Deposit Accounts, Including \$17.3 Million On Overdraft-Related Charges:

15. Components of service charges on deposit accounts in domestic offices (sum of Memorandum items 15.a through 15.d must equal Schedule RI, item 5.b):¹

- a. Consumer overdraft-related service charges levied on those transaction account and nontransaction savings account deposit products intended primarily for individuals for personal, household, or family use.....
- b. Consumer account periodic maintenance charges levied on those transaction account and nontransaction savings account deposit products intended primarily for individuals for personal, household, or family use.....
- c. Consumer customer automated teller machine (ATM) fees levied on those transaction account and nontransaction savings account deposit products intended primarily for individuals for personal, household, or family use.....
- d. All other service charges on deposit accounts.....

		M.15.
RIADH032	17,333	M.15.a.
RIADH033	1,486	M.15.b.
RIADH034	4,179	M.15.c.
RIADH035	20,405	M.15.d.

[FDIC FirstBank Call Report, [12/31/22](#)]

Competitive Enterprise Institute Senior Fellow And Director Of Finance Policy John Berlau

John Berlau—Who Works At The Conservative Competitive Enterprise Institute (CEI)—Serves As A Senior Fellow And Director Of Finance Policy, Where "He Focuses On How Public Policy Affects Access To Capital."

John Berlau Serves As A Senior Fellow And Director Of Finance Policy At The Competitive Enterprise Institute, Which Was Founded In 1984 And Describes Itself As "America's Leading Advocate Of Regulatory Reform," "Fight[ing] For Less Regulation," And "More Freedom."

John Berlau Is A Senior Fellow And Director Of Finance Policy At The Competitive Enterprise Institute (CEI) Where He "Focuses On How Public Policy Affects Access To Capital, Entrepreneurship, And Investments." "John Berlau is a senior fellow and Director of Finance Policy at the Competitive Enterprise Institute. His work focuses on how public policy affects access to capital, entrepreneurship, and investments made by the public and business community alike." [Competitive Enterprise Institute, accessed [02/06/23](#)]

- **According To His Bio, Berlau Has Spoken At Numerous Industry Events, Including Money 20/20, The FinTech Global Expo, And The CFGE Crowdfund Banking And Lending Summit, Among Others.** "He has testified on the impact of financial regulation before the House Committee on Financial Services and the House Committee on Energy and Commerce. A recognized expert on the phenomenon of crowdfunding, Berlau has spoken at prominent conferences such as South by Southwest Interactive in Austin, Money 20/20 in Las Vegas, the FinTech Global Expo in San Diego, the CFGE Crowdfund Banking and Lending Summit in San Francisco and the Crowdfund Intermediary Regulatory Advocates (CFIRA) Summit in Washington, D.C." [Competitive Enterprise Institute, accessed [02/06/23](#)]
- **According To Berlau's LinkedIn, He Has Worked At CEI Since 2004.** [LinkedIn, accessed [02/06/23](#)]

The Competitive Enterprise Institute—Founded In 1984—Describes Itself As "America's Leading Advocate Of Regulatory Reform" "Fight[ing] For Less Regulation, More Freedom, And Fairness For All." "Founded in 1984, the Competitive Enterprise Institute is America's leading advocate of regulatory reform on a wide range of policy issues. We fight for less regulation, more freedom, and fairness for all. Our proven comprehensive approach to advancing public policy turns policy proposals into concrete reforms." [Competitive Enterprise Institute, accessed [02/06/23](#)]

2013 Reporting By The Washington Post Revealed CEI Has Received Funding From Companies Associated With The Billionaire Koch Brothers, As Well As Tech Giants Google And Facebook.

June 2013: According To The *Washington Post*, The Competitive Enterprise Institute Does Not Disclose Its Donors, But Does Receive Funding For Its Annual Fundraising Dinner. "While the group does not disclose its donors as a general rule, it does reveal which companies and interest groups sponsor its annual fundraising dinner -- which takes place Thursday night at the J.W. Marriott -- along with how much they contribute. CEI provided a copy of its dinner program to the Fix, ranking donors according to the value of five metals -- chromium, tungsten, nickel, copper and tin." [The Washington Post, [06/20/13](#)]

- **Headline: Anatomy Of A Washington Dinner: Who Funds The Competitive Enterprise Institute.** [The Washington Post, [06/20/13](#)]
- **CEI Received Most Of Its Contributions From The Energy Sector—Three Companies Which Were Associated With The Koch Brothers—While Other Donors Included Google, Which Gave CEI \$50,000 And Facebook Which Gave \$25,000.** "The lineup of sponsors both confirms certain stereotypes about the right-leaning think tank and challenges others. The energy sector donated \$110,000 to the event, the same amount given by conservative foundations (three of which are associated with the billionaires Charles and David Koch). But the biggest single donor is Google, which gave \$50,000, and Facebook kicked in \$25,000." [The Washington Post, [06/20/13](#)]

John Berlau Has Criticized The CFPB Along Partisan Lines, Urging Former President Trump To Remove Director Richard Cordray And Defending CFPB Director Kathy Kraninger From "Statist Progressives" While Praising Her Focus On Deregulation.

In October 2016 And 2017, Berlau Pushed The Trump Administration To Fire Then-CFPB Director Richard Cordray.

October 2016: Berlau Wrote On Twitter "Cordray's Kind Words At #Money2020 Contrast With CFPB's Rules So Destructive To #FinTech Fire Cordray!":



John Berlau
@jberlau

...

Me in Forbes. Cordray's kind words at [#Money2020](#) contrast with CFPB's rules so destructive to [#FinTech](#) Fire Cordray! forbes.com/sites/johnberlau/

10:40 AM · Oct 29, 2016

1 Retweet 5 Likes

[John Berlau via Twitter, [10/29/16](#)]

October 2017: John Berlau Wrote On Twitter: "Hey @Realdonaldtrump & @Potus , @Sentomcotton@Clewandowski_@Sensasse & @Senmikelee All Say It's Time To Fire CFPB Head Richard Cordray!!":



John Berlau
@jberlau

...

Hey [@realDonaldTrump](#) & [@POTUS](#) , [@SenTomCotton](#) [@CLewandowski_](#) [@SenSasse](#) & [@SenMikeLee](#) all say it's time to fire CFPB head Richard Cordray!!

2:43 PM · Oct 28, 2017

[John Berlau via Twitter, [10/28/17](#)]

In November 2019, Berlau Wrote An Op-Ed For Newsmax Where He Defended Then-CFPB Director Kathy Kraninger From "Statist Progressives" And Praised Her Focus "To Reinforce, Instead Of Replace Market Processes" And "Removing Or Easing Regulatory Barriers."

November 2019: In An Op-Ed For Newsmax, Berlau Wrote That CFPB Director Kathy Kraninger Had "Caught Much Flak From Statist Progressives As She Has Hit Her Targets By Rolling Back Excessive Regulation." "If there's one government official this saying applies to in a positive way, it is Kathy Kraninger. Appointed by President Trump and confirmed last December as director of the Consumer Financial Protection Bureau, Kraninger has caught much flak from statist progressives as she has hit her targets by rolling back excessive regulation." [Newsmax, [11/07/19](#)]

- **He Added: "The CFPB Will Seek To Reinforce, Instead Of Replace Market Processes" And "Kraninger Has Worked To Implement Programs And Policies That Are Centered On Removing Or Easing Regulatory Barriers."** "She announced that when it comes to rulemaking, the CFPB will execute the law as written. When it comes to enforcement, the CFPB will seek to reinforce, instead of replace, market processes. Putting this new mission into action, Kraninger has worked to implement programs and policies that are centered on removing or easing regulatory barriers in the consumer financial marketplace." [Newsmax, [11/07/19](#)]

Berlau Has Frequently Called The CFPB "Unconstitutional," Arguing It Should Get Its Funding Through The Appropriations Process To Be "More Accountable To Elected Officials" And That The Fifth Circuit October 2022 Ruling Would Against Its Funding "Increas[es] Access To Credit For Lower-Income Consumers."

Berlau Has Repeatedly Called The CFPB Unconstitutional Arguing It Should Get Its Funding Through The Appropriations Process To Make The Agency "More Accountable To Elected Officials," While Suggesting Its "Unconstitutional Structure" Has Led To "Enforcement Abuses."

April 2018: Berlau Appeared On American Public Media Arguing That The CFPB Should Get Its Funding Through The Appropriations Process And This Would Make The CFPP "Need[s] To Be More Accountable To Elected Officials Who Are In Turn Accountable To The Voters." "Among [Mick Mulvaney's] recommendations give the president more authority to oversee and remove the CFPB director, require congressional approval of major bureau rules, fund the agency through congressional appropriations, instead from the Federal Reserve. [...] 'They need to be more accountable to elected officials who are in turn accountable to the voters,' said John Berlau." [Competitive Enterprise Institute via YouTube, [04/09/18 \(0:38\)](#)]

March 2020: Berlau Shared A Tweet On Twitter: "My @ceidotorg Colleague @AdamsJMatthew Shows Link Between CFPB's Unconstitutional Structure & Its Enforcement Abuses":



John Berlau
@jberlau

...

My @ceidotorg colleague @AdamsJMatthew shows link between CFPB's unconstitutional structure & its enforcement abuses



cei.org

As Supreme Court Debates CFPB Constitutionality, Agency Accountability H...
The Supreme Court heard oral arguments last week over the constitutionality of the Consumer Financial Protection Bureau and whether, as currently ...

[John Berlau via Twitter, [03/13/20](#)]

In October 2022, Berlau Argued The Fifth Circuit's Ruling "Will Have Great Benefits In Increasing Access To Credit For Lower-Income Consumers" And The "CFPB Must Be Held Accountable To Congress Through The Appropriations Process."

October 2022: After The Fifth Circuit Ruled The Funding Structure Of The CFPB Was Unconstitutional, John Berlau Said, "The Fifth Circuit's Voiding Of The Payments Provision Of The CFPB's Small-Dollar Lending Rule Will Have Great Benefits In Increasing Access To Credit For Lower-Income Consumers," Adding The CFPB "Must Be Held Accountable To Congress Through The Appropriations Process."

"The Fifth Circuit's voiding of the payments provision of the CFPB's small-dollar lending rule will have great benefits in increasing access to credit for lower-income consumers. It will also likely lower the overall cost of credit. The CFPB's restrictions on small-dollar lenders debiting the bank accounts of borrowers who had clearly consented to having this done created uncertainty impeding credit in this market. Lower-income consumers suffered from a shortage of credit as lenders faced increased risk of default, fraud, or bad-faith borrowing. The harms to consumers of this and other regulations issued by the CFPB shows why it must be held accountable to Congress through the appropriations process, as the Fifth Circuit has ruled. [Competitive Enterprise Institute, [10/20/22](#)]

In December 2022, A Group Of 22 Democratic State Attorneys General Filed An Amicus Brief In Support Of The Bureau, Calling It An "Invaluable Enforcement Partner" While Arguing The Ruling Would Potentially Invalidate Its Past Actions Protecting Consumers And Previous Guidance For Regulated Companies.

December 2022: A Group Of 22 Democratic State Attorneys General Filed An Amicus Brief In Support Of The Consumer Financial Protection Bureau's Constitutionality, Stating That "The CFPB Has Served As An Invaluable Enforcement Partner To State Attorneys General And That The Fifth Circuit's

Reasoning Threatens To Invalidate Past CFPB Actions To The Detriment Of Both The Consumers Protected By These Actions And The Financial Service Providers Who Have Relied On These Actions To Guide Their Conduct." "California Attorney General Rob Bonta, as part of a coalition of 22 attorneys general, filed an amicus brief in the U.S. Supreme Court in support of the Consumer Financial Protection Bureau's (CFPB) petition for review of a Fifth Circuit decision finding that the agency's funding mechanism is unconstitutional. In the wake of the 2008 financial crisis, Congress established the CFPB as the nation's consumer watchdog and, critically, as an independent agency with the authority to issue rules and enforce federal consumer protection laws. In the brief, the coalition argues that the CFPB has served as an invaluable enforcement partner to state attorneys general and that the Fifth Circuit's reasoning threatens to invalidate past CFPB actions to the detriment of both the consumers protected by these actions and the financial service providers who have relied on these actions to guide their conduct. " [Office of the California Attorney General, [12/14/22](#)]

Berlau Has Frequently Spoken Out Against Dodd-Frank Saying It "Has Caused Harmful And Sometimes Disastrous Effects For Consumers," Claiming That A Proposed CFPB Rule Collecting Data On The Race And Gender Of Loan Applicants Would Be "Counterproductive And Hurt Those It Is Intended To Help."

Berlau Has Argued That Dodd-Frank "Has Caused Harmful And Sometimes Disastrous Effects For Consumers," Adding That A CFPB Proposed Regulation To Collect Race And Gender Demographics From Lenders On Loan Applicants Would Be "Counterproductive And Hurt Those It Is Intended To Help."

January 2022: Berlau Wrote An Article Arguing That Dodd-Frank "Has Caused Harmful And Sometimes Disastrous Effects For Consumers, Investors, Entrepreneurs, And Main Street Financial Institutions."

"In the decade since President Obama signed into law the Dodd-Frank Wall Street Reform and Consumer Protection Act on July 21, 2010, this supposed 'financial reform' has caused harmful and sometimes disastrous effects for consumers, investors, entrepreneurs, and Main Street financial institutions such as community banks and credit unions." [Competitive Enterprise Institute, [01/21/22](#)]

- **He Further Wrote That The CFPB's Recent Proposed Regulation On Section 1071 Of Dodd-Frank To Collect Data On Race And Gender Of Small Business Loan Applicants From Lenders Would Be "Counterproductive And Hurt Those It Is Intended To Help."** "The Consumer Financial Protection Bureau (CFPB) recently issued a proposed regulation implementing Dodd-Frank's Section 1071, which requires lenders to collect data on the race and gender of small business loan applicants and send that data to the CFPB for a huge database it will be constructing. [...] "excessive red tape—even if it is motivated by the noble purpose of widening financial inclusion—could turn out to be counterproductive and hurt those it is intended to help." Noting that FinTech is "widening access to credit for entrepreneurs who had previously been overlooked by lenders as good credit risks." [Competitive Enterprise Institute, [01/21/22](#)]

Berlau Has Also Criticized Biden's Initiative To Crack Down On "Junk Fees" Claiming Fees Charged By Certain Industries Are Example Of "Unbundling" That Can "Save People A Lot Of Money" And Bureaucrats And Politicians Made Up The Word To Go After Fees "They Simply Do Not Like."

In October 2022, Berlau—Along With Colleague Ryan Young—Wrote An Article Arguing That Junk Fees Are Instead Examples Of "Unbundling" That Can "Save People A Lot Of Money" And That Junk Fees Was "A Subjective And Paternalist Term" That Bureaucrats Used To Describe Fees They "Simply Do Not Like."

October 2022: Berlau Wrote An Article With His Colleague Ryan Young Who Argues That Junk Fees Are Examples Of ""Unbundling"" Which Can "Save People A Lot Of Money." "Today the Biden administration announced a new whole-of-government initiative against 'junk fees' from airlines, banking, and other industries. But what he is calling junk fees aren't really. CEI experts comment on why Biden is wrong and what the downside consequences will be. Ryan Young, CEI Senior Fellow, uses Biden's targeting of airline fees as an example of what's wrong with the new CFPB guidance (policy): 'Many of the charges the administration calls junk fees are examples of something called 'unbundling.' It's a version of the 'user pays' principle and can save people a lot of money." [Competitive Enterprise Institute, [10/27/22](#)]

- **Berlau And Young Also Argued That Junk Fees Was "A Subjective And Paternalistic Term Used To Describe Fees That Politicians Like Rohit Chopra And Lina Khan Simply Do Not Like."** "John Berlau, CEI Senior Fellow: 'Junk fees' is a subjective and paternalistic term used to describe fees that politicians like Biden and bureaucrats like Rohit Chopra and Lina Khan simply do not like." [Competitive Enterprise Institute, [10/27/22](#)]

In February 2023, Berlau Railed Against A CFPB Proposed Rule To Cap Credit Card Late Fees, Claiming It Is "Bad Economics" And Would Have "Negative Economic Consequences For Middle-Class And Lower-Income Consumers."

In February 2023, Berlau Argued The CFPB's Proposed Rule To Cap Credit Card Late Fees At \$8 "Would Harm Consumers" And "Is Bad Economics," Which Would Be Particularly Negative For The Middle-Class And Lower-Income Consumers.

February 2023: Berlau Argued That A CFPB Proposed Rule To Cap Credit Card Late Fees At \$8 "Would Harm Consumers In The Name Of Helping Them." "The Biden White House is touting a new proposed rule from the Consumer Financial Protection Bureau that would cap most credit card late fees at \$8 with no automatic adjustment for inflation. CEI Senior Fellow and Director of Finance Policy John Berlau explains why this rule would harm consumers in the name of helping them." [Competitive Enterprise Institute, [02/02/23](#)]

- **Berlau Further Wrote, "A Hard Price Control Of \$8 Is Bad Economics" And "The Proposed CFPB Rule Would Have A Range Of Negative Economic Consequences Particularly For Middle-Class And Lower-Income Consumers."** "A hard price control of \$8 is bad economics anytime but is especially harmful during times of raging inflation. The proposed CFPB rule would have a range of negative economic consequences particularly for middle-class and lower-income consumers, as well as smaller banks and credit unions that issue credit cards." [Competitive Enterprise Institute, [02/02/23](#)]

Berlau Has Praised Financial Technology Firms—More Commonly Known As FinTechs—As Crucial For "Spread[ing] Financial Inclusion" While Criticizing Efforts To Regulate High-Cost Loans Often Provided by FinTechs.

Berlau Has Said "FinTech Firms Spread Financial Inclusion" And Are "Widening Access To Credit."

February 2020: Berlau Tweeted That "Fintech Firms Spread Financial Inclusion!":



John Berlau
@jberlau

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My @ceidotorg colleague @AdamsJMatthew explains why bank partnership with #fintech firms spread financial inclusion! cei.org/blog/interest-...

9:36 AM · Feb 13, 2020 from Minnesota, USA

[John Berlau via Twitter, [02/13/20](#)]

January 2022: In A Comment Sent To The CFPB, Berlau Argued That Financial Technology "Is Widening Access To Credit For Entrepreneurs Who Had Previously Overlooked By Lenders As Good Credit Risks." "My colleagues and I are pleased that financial technology—commonly referred to as FinTech—is widening access to credit for entrepreneurs who had previously been overlooked by lenders as good credit risks. FinTech is also widening the reach of lending products for community banks and credit unions that embrace the technology." [Competitive Enterprise Institute letter to CFPB Director Rohit Chopra, [01/06/22](#)]

December 2022: A Congressional Report Found That Fintech Companies Largely Fueled Pandemic Paycheck Protection Program Fraud. "A sprawling congressional report accuses several little-known financial technology companies, or fintechs, of reaping "billions in fees from taxpayers while becoming easy targets for those who sought to defraud the PPP," or Paycheck Protection Program. PPP provided more than 11 million potentially forgivable low-interest loans to small businesses to help them keep employees on the payroll as COVID-19 shutdowns decimated profits. Congress hastily rolled out the program in spring 2020, eventually racking up a price tag of nearly \$800 billion. Fintechs, a nebulous term broadly defined as businesses that use technology to improve or automate financial services, told Congress they could issue PPP loans to struggling small businesses faster than traditional banks — and they did." [National Public Radio, [12/06/22](#)]

Berlau Pointed To Criticisms From The Independent Community Bankers Association In Attacking The June 2021 Congressional Review Act Resolution Overturning The Trump-Era "True Lender Rule," Despite The Move Being Seen As A "Significant Win For Consumer Advocates And State Bank Authorities."

June 2021: In A *National Review* Op-Ed, Berlau Argued That The Senate Overturning The "True Lender Rule" Was Bad For Smaller Banks "As Pointed Out By The Independent Community Bankers Of America." "The Senate voted last month to overturn the 'true lender' rule, which clarified that smaller banks could partner with outside firms to offer credit using the same legal framework under which big banks have long issued credit cards. [...] Smaller banks most often lack the resources to do this but in recent years have closed the gap through partnerships with innovative fintech firms. As pointed out by a letter to House leaders from banking groups including the Independent Community Bankers of America, 'when community banks . . . partner with technology firms, they can efficiently and conveniently deliver services that customers demand, from a bank that customers trust to meet their financial needs.'" [National Review, [06/09/21](#)]

- **Berlau Also Said The Rule Made It "Easier For Community Banks To Utilize Financial Technology" "To Offer Personal And Small-Business Loans To Their Customers."** "Finalized late last year by the Office of the Comptroller of the Currency, the rule makes it easier for community banks to utilize financial technology — referred to as fintech — to offer personal and small-business loans to their customers. Big banks already use this technology to offer credit cards nationwide." [National Review, [06/09/21](#)]

June 2021: President Biden Signed The Congressional Review Act Resolution Invalidating The Office Of The Comptroller Of The Currency's "True Lender" Rule, Which Was Seen As A "Significant Win For Consumer Advocates And State Bank Authorities." "President Biden has signed off on the congressional repeal of a regulation designed to ease partnerships between national banks and fintech lenders, a significant win for consumer advocates and state bank authorities. On Wednesday night, Biden signed into law a Congressional Review Act resolution that overturned an Office of the Comptroller of the Currency regulation known as the "true lender" rule. The resolution had light bipartisan support in both the House and Senate, with three Republican senators and one House member voting with their Democratic colleagues. The OCC's now-defunct rule introduced a simple test that examiners would use to determine the so-called true lender in bank-nonbank partnerships; if a national bank had funded the loan or was named as the lender in an agreement, the bank would have been considered the true lender." [American Banker, [07/01/21](#)]

Berlau Has Spoken At Numerous Industry Events, Including As A Keynote Speaker At The October 2022 Money 20/20 Conference, Hosted By INFiN, Which Describes Itself As The "Nation's Leading Trade Association" For Consumer Financial Services.

Berlau Has Attended Numerous Industry Events, Including The FinTech Global Expo, Money 20/20, And Was A Keynote Speaker For The INFiN, Self-Described As The "Leading National Trade Association" For The "Consumer Financial Services Industry."

June 2015: Newsmax Published Berlau's Transcript Of His Address To The FinTech Global Expo In San Diego, CA. "The Right to Choose Your Investment Partner: The following is an abridged and revised version of my address to the FinTech Global Expo in San Diego on May 29, 2015. I was introduced by conference organizer Andrea Downs, President and CEO of Coastal Shows." [Newsmax, [06/07/15](#)]

- **Berlau Said CEI Views "Dodd-Frank, Sarbanes-Oxley And All Regulations As A Burden To Personal Rights."** "My organization, the Competitive Enterprise Institute, looks at Dodd-Frank, Sarbanes-Oxley, and all regulations as a burden to personal rights. After all, what could be more personal than how you invest your money? If you can now choose who your domestic partner is, why in hell shouldn't you be able to choose who your investment partner is?" [Newsmax, [06/07/15](#)]

December 2015: Berlau Attended Money 20/20:



John Berlau @jberlau · Dec 29, 2015

Wow! My own personalized toast. A gift from @money2020 folks! TY again for the toast and having me there! #fintech



[John Berlau via Twitter, [12/29/15](#)]

- **Money 20/20 Is An Annual Fintech Conference.** [Money 20/20, accessed [02/06/23](#)]

Berlau Was Also A Keynote Speaker At Money Trends 2022, An Event Sponsored By INFiN, Self-Described As "The Leading National Trade Association" For The "Consumer Financial Services Industry."

October 2022: John Berlau Was A Keynote Speaker At MoneyTrends 2022, Sponsored By The INFiN

Regulatory Keynote: "FedCoin, FedNow, and FedAccounts: Threats to Consumer Financial Services from Federal Solutions in Search of a Problem"

Presenter: **John Berlau**, Senior Fellow and Director of Finance Policy, Competitive Enterprise Institute

[INFiN MoneyTrends, accessed [02/06/23](#)]

- **According To Its Website, INFiN Is "The Leading National Trade Association" For The "Consumer Financial Services Industry."** "INFiN is now the leading national trade association representing the diverse and innovative consumer financial services industry, with a membership that's bound by a shared commitment to their customers, regulatory compliance, and transparency." [INFiN, accessed [02/06/23](#)]

Berlau Has "Praised" Efforts By Republicans To Overturn A CFPB Rule Meant To Prevent Discrimination In The Auto Lending Market.

After The U.S. Senate Voted to Overturn An Obama-Era Rule That Protected Consumers From Discrimination In The Auto Lending Market, John Berlau "Praised" The Decision Claiming The Rule "Unfairly Penalized Auto Lenders For Any Unintentional Disparate Impact In Loans To Minority Consumers."

April 2018: The U.S. Senate "Voted To Eliminate A 2013 Consumer Protection Measure Intended To Combat Discrimination In Auto Lending." "The Senate on Wednesday moved to eliminate a 2013 consumer protection measure intended to combat discrimination in auto lending, marking an expansive new use of its power to kill federal regulations." [Politico, [04/18/18](#)]

- **"Consumer Advocates Warned The Move "Could Expose Decades Of Regulatory Actions To Being Struck Down By Republicans And Trump," With The Guidance Meant To "Outlin[e] Safeguards That Lenders Should Follow To Address Racial Discrimination By Auto Lenders."** "Consumer advocates warn that the maneuver could expose decades of regulatory actions to being struck down by Republicans and Trump. The CFPB guidance that Republicans targeted Wednesday outlines safeguards that lenders should follow to address racial discrimination by auto dealers, which often have a say in the terms for car loans because they facilitate financing for car buyers." [Politico, [04/18/18](#)]

In A Statement Provided By John Berlau, "CEI Praised" The Decision Saying The Obama-Era Rule "Unfairly Penalized Auto Lenders For Any Unintentional Disparate Impact In Loans To Minority Consumers." "CEI praised the Senate today for voting down the Obama-era Consumer Financial Protection Bureau rule that unfairly penalized auto lenders for any unintentional disparate impact in loans to minority consumers. CEI senior fellow John Berlau criticized the Bureau for unleashing a rule that does more harm than good to consumers and flouts the rule of law." [Competitive Enterprise Institute, [04/18/18](#)]