



215 Pennsylvania Avenue, SE • Washington, D.C. 20003 • 202/546-4996 • [www.citizen.org](http://www.citizen.org)

## **Pay-to-Play on Display: 19 of the 30 Companies With the Most Complaints in CFPB Database Contributed to Mick Mulvaney**

*Mulvaney, Now Acting CFPB Director, Threatens to Hide Complaints From the Public*

By Michael Tanglis

May 8, 2018 – In a speech to the American Bankers Association, acting Consumer Financial Protection Bureau Director Mick Mulvaney revealed how he operated in his recent career as a U.S. congressman.

“We had a hierarchy in my office in Congress,” Mulvaney said. “If you’re a lobbyist who never gave us money, I didn’t talk to you. If you’re a lobbyist who gave us money, I might talk to you.”<sup>1</sup>

In the same speech, Mulvaney suggested he was considering shutting down the CFPB’s public facing database, launched in 2012, which tracks complaints against members of the financial industry.<sup>2</sup> “I don’t see anything in here that says I have to run a Yelp for financial services sponsored by the federal government,” Mulvaney said. “I don’t see anything in here that says that I have to make all of those public.”<sup>3</sup>

Public Citizen examined the 30 companies subject to the most complaints in the CFPB database, as well as the thousands of political contributions Mulvaney received between his election to Congress in 2010 and his departure in early 2017. We found that 19 of the 30 companies subject to the most complaints, including eight of the top 10, contributed to Mulvaney via their political action committees. The contributions from the 19 totaled \$140,500.

The 19 Mulvaney contributors were subject to more than 520,000 complaints since the CFPB began accepting complaints 2011. Complaints concerning them account for 51 percent of all complaints submitted to the database.

Equifax, the company that allowed hackers to gain access to the private information of 143 million Americans in 2017 and then waited six weeks to inform them,<sup>4</sup> was subject to the most complaints – a staggering 83,000. [Table 1] Even though Equifax was involved in one of the most highly publicized scandals in recent years, close to 70 percent of the complaints against it were submitted prior to the September 2017 revelation of the data breach.

---

<sup>1</sup> Glenn Thrush, *Mulvaney, Watchdog Bureau’s Leader, Advises Bankers on Ways to Curtail Agency*, THE NEW YORK TIMES (April 24, 2018), <https://nyti.ms/2vKA4S0>.

<sup>2</sup> CFPB Consumer Complaint Database, <http://bit.ly/2r1HXxH>.

<sup>3</sup> Stacy Cowley, *Consumer Bureau Looks to End Public View of Complaints Database*, THE NEW YORK TIMES (April 25, 2018), <https://nyti.ms/2KeRdqt>.

<sup>4</sup> Karen Turner, *The Equifax Hacks Are a Case Study in Why we Need Better Data Breach Laws*, VOX (April 24, 2018), <http://bit.ly/2HLMxGQ>.

**Table 1: 30 Companies Subject to the Most Complaints in the CFPB Database**

Company	Number of Complaints	PAC Contributed to Mulvaney	PAC Contributions to Mulvaney
Equifax Inc.	83,252	Yes	\$5,000
Bank of America, National Association	74,221	Yes	\$19,000
Experian Information Solutions Inc.	72,188	Yes	\$6,000
TransUnion Intermediate Holdings Inc.	65,721		
Wells Fargo & Company	62,142	Yes	\$12,000
JP Morgan Chase & Co.	51,139	Yes	\$10,500
Citibank N.A.	41,598	Yes	\$19,000
Capital One Financial Corporation	26,822	Yes	\$9,000
Ocwen Loan Servicing LLC	26,270		
Navient Solutions LLC	24,243	Yes	\$2,000
Nationstar Mortgage	18,513		
Synchrony Financial	17,084		
U.S. Bancorp	14,727	Yes	\$5,000
Ditech Financial LLC	12,916		
American Express Company	10,717	Yes	\$4,500
PNC Bank N.A.	10,082	Yes	\$10,500
Encore Capital Group Inc.	9,583	Yes	\$1,000
Discover Bank	8,315	Yes	\$7,500
HSBC North America Holdings Inc.	7,811		
Td Bank Us Holding Company	7,788	Yes	\$5,000
Portfolio Recovery Associates Inc.	7,605		
SunTrust Banks Inc.	7,397	Yes	\$12,500
Select Portfolio Servicing Inc.	7,061		
AES/PHEAA	6,264		
Barclays Bank Delaware	5,549		
ERC	5,300		
Citizens Financial Group Inc.	4,850	Yes	\$1,000
Ally Financial Inc.	4,495	Yes	\$2,000
Fifth Third Financial Corporation	4,441	Yes	\$2,500
United Services Automobile Association	4,294	Yes	\$6,500
<b>Total (of those who contributed only)</b>	<b>522,294</b>	<b>--</b>	<b>\$140,500</b>

Sources: Consumer Financial Protection Bureau data downloaded on April 24, 2018, and Federal Election Commission.

### **Most of the Organizations that Lobbied on the CFPB Database Contributed to Mulvaney**

Public Citizen also analyzed which organizations have lobbied on the CFPB's database. We found that 11 businesses or trade associations have reported lobbying on the CFPB database. Six of the 11 organizations contributed to Mulvaney.

Six of the lobbying entities were trade associations and therefore would not be the subjects of CFPB complaints. Of the five businesses, four were among the 30 companies subject to the most CFPB complaints.

Many of the trade associations' members also were likely in the top 30. While many trade associations do not disclose their members, contributions to the associations' PACs provide some insight. The Consumer Bankers Association PAC, for example, has reported receiving contributions from PACs of 14 the 30 institutions subject to the most complaints. These 14 contributed close to \$450,000 to the Consumer Bankers Association PAC from 2009 through 2017 – accounting for 36 percent of all the contributions taken in by the PAC in that time period. These included HSBC, which did not contribute directly to Mulvaney, but did contribute \$22,500 to the Consumer Bankers Association PAC from 2009 through 2017.

Another trade association that lobbied on the database, the Consumer Data Industry Association, counts among its members the three largest credit rating companies – Equifax, Experian and TransUnion.<sup>5</sup> These companies were subject to the 1st, 3rd and 4th most complaints in the CFPB database.

Most of the lobbying organizations reported that they lobbied on the general issue of the CFPB consumer complaint database. But some reported lobbying on a specific piece of legislation that would have gutted the database. That legislation, H.R. 5941, would have required the CFPB to investigate every complaint before it published it.

Mulvaney was the author and sole sponsor of the bill.<sup>6</sup>

Three of the four organizations that reported lobbying on Mulvaney's bill also contributed to him. They included Consumer Bankers Association (which contributed \$3,000 to Mulvaney), Credit Union National Association (\$30,000) and Equifax (\$5,000). [Table 2]

---

<sup>5</sup> Statement of Francis Creighton, President and CEO, Consumer Data Industry Association, to the Subcommittee on Financial Institutions & Consumer Credit Committee on Financial Services, U.S. House of Representatives (March 7, 2018), <http://bit.ly/2Kw75F9>.

<sup>6</sup> H.R. 5491, To Require the Director of the Bureau of Consumer Financial Protection to Verify the Accuracy of Consumer Complaint Information Before Making Such Information Available to the Public, 114th Congress (introduced July 15, 2016), <http://bit.ly/2rl0k0a>.

**Table 2: Industry Organizations That Lobbied On CFPB Complaints Database, 2014 to 2018**

Client Name*	Lobbied on CFPB Database	Lobbied on H.R. 5941	PAC Contributed to Mulvaney	Org. Is Among Top 30 in Complaints Submitted
Alticor Inc.	Yes	Yes		
American Express Company	Yes		Yes	Yes
Chamber Of Commerce of the USA	Yes			Does not apply
Consumer Bankers Association	Yes	Yes	Yes	Does not apply
Consumer Data Industry Association	Yes			Does not apply
Consumer Mortgage Coalition	Yes			Does not apply
Credit Union National Association	Yes	Yes	Yes	Does not apply
Equifax Inc.	Yes	Yes	Yes	Yes
Fifth Third Bancorp	Yes		Yes	Yes
National Assoc. of Federally Insured Credit Unions	Yes		Yes	Does not apply
Synchrony Financial	Yes			Yes

Sources: Secretary of the Senate, Federal Election Commission and Consumer Financial Protection Bureau.

Lobbying issue terms used by reporting organizations: H.R. 5491, CFPB consumer complaints database, CFPB complaint portal and CFPB narrative database program.

\*This table does not include public interest organizations that lobbied on the database issue.

### **Equifax – Wins the Pay-To-Play Triple Crown**

In 2014, the CFPB proposed that consumer complaint narratives should be published. (At that point, the public facing database did not include consumer complaint narratives).<sup>7</sup> Equifax lobbied on this issue in every quarter of 2015.<sup>8</sup>

In 2016, Equifax lobbied both the U.S. House of Representatives and the CFPB on the consumer complaint database.<sup>9</sup> Its 2016 advocacy included lobbying on the “CFPB’s Consumer complaint database” and H.R. 5491, the bill sponsored by Mulvaney.<sup>10</sup>

When Mulvaney introduced the bill, Equifax had already contributed \$5,000 to his campaign. While lobbying data does not allow one to know if Equifax met directly with Mulvaney’s office, we know that Equifax specifically lobbied the U.S. House on Mulvaney’s H.R. 5491, which had no cosponsors.

<sup>7</sup> Disclosure of Consumer Complaint Narrative Data, 79 FR 42765 (July 23, 2014), <http://bit.ly/2lLmn7x>.

<sup>8</sup> Lobbying disclosure reports maintained by the secretary of the Senate, first quarter 2015 through fourth quarter 2015.

<sup>9</sup> Lobbying disclosure reports maintained by the secretary of the Senate, 2016.

<sup>10</sup> H.R. 5491, To Require the Director of the Bureau of Consumer Financial Protection to Verify the Accuracy of Consumer Complaint Information Before Making Such Information Available to the Public, 114th Congress (introduced July 15, 2016), <http://bit.ly/2rl0k0a>.

In 2017, Equifax continued to lobby the CFPB about its consumer complaint database, but unlike on past disclosures, it indicated it also lobbied the Office of Management and Budget on the issue.<sup>11</sup> By then, Mulvaney was the director of the OMB, a job he still holds, in conjunction with his CFPB duties.

Equifax is the lone company with the distinction of being among the 30 companies subject to the most complaints, lobbying on Mulvaney's bill to gut the database, and contributing to Mulvaney.

In that way, it could be said that Equifax is this year's winner of the pay-to-play Triple Crown.

Just this week, Equifax's shareholders voted on a proposal to require the company to improve its disclosure of its efforts to influence elections, including indirect spending that can evade transparency laws. Its board, not surprisingly, opposed the measure.

Cajoling politicians into doing favors, such as shutting down a database of consumer complaints, might yield short-term benefits. But that cannot hide fundamental flaws like the data breach that caused Equifax's stock price to plummet by 35 percent, reducing the company's value by nearly \$6 billion.<sup>12</sup>

Equifax would be well-served to hold its political spending up to shareholder and public scrutiny. It should focus on keeping the public's data secret, not its political activities.

---

<sup>11</sup> Lobbying disclosure reports maintained by the secretary of the Senate, third quarter 2017.

<sup>12</sup> Gretchen Morgenson, *Consumers, but Not Executives, May Pay for Equifax Failings*, THE NEW YORK TIMES (Sept 23, 2017), <https://nyti.ms/2rlcup0>.