



**Statement of Benjamin M. Wiseman
Office of Consumer Protection
Office of the Attorney General for the District of Columbia**

Before

**The Committee on the Business and Economic Development
The Honorable Kenyan McDuffie, Chair**

**Public Oversight Roundtable
On**

Bill 22-432, “Financial Services Consumer Protection Act of 2017”

**October 3, 2018
10:30 am
Room 123
John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, District of Columbia 20004**

Introduction

Greetings Chairman McDuffie, Councilmembers, staff, and residents. My name is Ben Wiseman, and I serve as the Director of the Office of Consumer Protection within the Public Advocacy Division of the Office of the Attorney General for the District of Columbia (OAG). I am pleased to appear before the Committee on Business and Economic Development (Committee) on behalf of Attorney General Karl A. Racine. While I note there are four bills on the Committee's agenda today, OAG will focus testimony on the Attorney General's support for goals of two of them: First, I will testify on Bill 22-432, "Financial Services Consumer Protection Act of 2017"; and then, Deputy Attorney General Toni Jackson of the Public Interest Division will speak to Bill 22-422, the "Protection of Seniors and Vulnerable Adults from Financial Exploitation Act of 2017."

Bill 22-432, "Financial Services Consumer Protection Act of 2017"

OAG fully supports efforts to enhance protections for consumers in the area of financial services. Since Attorney General Racine came into office, a top priority of OAG was to create an Office of Consumer Protection (Office). The Office works on resident's behalf to stop deceptive and unfair business practices. The Office investigates complaints from consumers in the District regarding potential violations of the District's consumer protection laws, and when appropriate files suits against businesses that are taking advantage of District residents. In particular, our Office works to protect seniors who are frequently targeted by consumer scams like IRS and identity theft schemes by educating seniors as well as taking legal actions against unscrupulous companies that target them. The Office also helps consumers resolve disputes with merchants without legal action through our mediation program. Consumers can file a complaint with our Office at OAG's website, oag.dc.gov, or by calling our consumer hotline at 202-442-9828.

OAG supports Bill 22-432. In particular, OAG supports efforts to provide additional protections to consumers that purchase goods through retail installment sales contracts. Installment sales contracts can provide benefits to consumers by allowing them to purchase goods through installment payments. However, it is important that consumers understand the terms of those sales agreements, including any fees that consumers may face. OAG supports the enhanced disclosure requirements in Bill 22-432 and we would like to work with the Committee both to clarify the interest rates and fees that sellers can charge in retail installment sales contracts as well as to strengthen OAG's ability to bring enforcement actions against sellers and finance companies that fail to follow the law.

Second, OAG supports the licensing requirements in Bill 22-432 for debt collection agencies and third-party loan services. The Office of Consumer Protection works closely with consumers that have difficulty repaying debts. The Office works to protect consumers from debt collectors that use abusive, unfair or deceptive practices. Licensing debt collectors and third-party loan services is an important first step in curbing problematic and illegal debt collection practices in the District.

Conclusion

I greatly appreciate the opportunity to testify at this this Public Hearing concerning the Financial Services Consumer Protection Act of 2017. OAG stands ready to continue our work with the Council, Executive, community, and other stakeholders to improve protections for all consumers. I am happy to answer any questions that members may have.