



SENATOR HARRY REID, MAJORITY LEADER PROTECTING NEVADA'S CONSUMERS



Now more than ever, Nevada's families deserve to be protected from predatory and fraudulent business practices. Senator Harry Reid has worked hard to increase consumer protections in the credit card industry, put an end to the corporate fraud on Wall Street, provide safeguards against toxic products and dangerous toys, and protect consumers from unwanted telemarketing calls and spam. In 2009, Senate Democrats, led by Senator Reid, made taking on credit card companies and big banks a priority and succeeded. A year later, the Senate went a step further by successfully taking on Wall Street. Senator Reid made certain hard-working Nevadans will never be called on again to bailout Wall Street banks.

Senator Reid Championed Legislation Protecting Consumers from Credit Card Company Abuses. Senator Reid shepherded passage of the *Credit CARD Act*, which put an end to abuses by credit companies by cracking down on abusive fees, requiring more disclosure to cardholders for term changes, and limiting the changes credit card companies can impose. Senator Reid also supported a national consumer credit usury rate, capped at 15 percent on unpaid credit card balances. To help young consumers avoid debt, Senator Reid created safeguards that require credit issuers to prove means of repayment for consumers under the age of 21. [H.R. 627, Senate Vote 194, 05/19/09, P.L. 111-024; H.R. 627, Senate Vote 191, 05/13/09; S.Amdt. 2754 to S. 625, Senate Vote 359, 11/09/99]

Senator Reid Fought to Protect Consumers from Abuses in the Financial Services Industry. In order to prevent future fraud and unnecessary foreclosures, Senator Reid strengthened federal criminal laws to prosecute the culprits of the financial and mortgage scams that contributed to the global financial crisis. The *Fraud Enforcement and Recovery Act* also increases resources for law-enforcement personnel to combat these crimes. Senator Reid also voted in support of the Isakson-Conrad amendment to establish the Financial Crisis Inquiry Commission to examine all causes, domestic and global, of the current financial and economic crisis. In addition, to make sure that the Troubled Asset Relief Program (TARP) benefits consumers, Senator Reid helped pass a resolution to reaffirm that the remaining TARP funds be used to save homes and small businesses, increase credit availability, and help the municipal bond market. [S. 386, Senate Vote 170, 04/28/09; S.Amdt.995 to S. 386, Senate Vote 161, 04/22/09; S.Con.Res. 13, Senate Vote 133, 04/02/09]

HIGHLIGHTS OF SENATOR REID'S RECORD ON CONSUMER PROTECTION

- ★ Senator Reid Championed Legislation Protecting Consumers from Credit Card Company Abuses
- ★ Senator Reid Fought to Protect Consumers from Abuses in the Financial Services Industry
- ★ Senator Reid Passed Landmark Wall Street Reform Bill to Curb Wall Street Abuses
- ★ Senator Reid Demanded Real Help from Bank of America for Nevada Homeowners
- ★ Senator Reid Helped Protect Consumers from Toxic Products and Dangerous Toys
- ★ Senator Reid Fought to Protect Consumers from Unwanted Telemarketing Calls and Spam

Senator Reid Passed the Landmark Wall Street Reform Bill to Curb Wall Street Abuses. Despite months of Republican opposition, Senator Reid stood on the side of Main Street and fought to put consumers first, rein in the reckless gambling that led to the worst financial crisis in a generation, and end taxpayer-funded bailouts of banks that become too big to fail. Key provisions of the *Dodd-Frank Wall Street Reform and Consumer Protection Act* include the following: [H.R. 4173, Senate Vote 162, 05/20/10, Senate Vote 208, 07/15/10, P.L. 111-203]

- Ends the possibility that taxpayers will be asked to write a check to bail out financial firms that threaten the economy and eliminates loopholes that allow risky and abusive practices to go on unnoticed and unregulated;
- Creates a council to identify and address systemic risks posed by large, complex companies, products, and activities before they threaten the stability of the economy;
- Reforms the duplicative regulatory structure to hold regulators accountable, prohibit the Fed from picking winners and losers by assisting individual companies, and requiring an audit of the Fed's lending facilities;
- Creates the Consumer Financial Protection Bureau (CFPB), an independent watchdog, housed at the Federal Reserve, with the authority to ensure American consumers get the clear, accurate information they need to shop for mortgages, credit cards, and other financial products, and protect them from hidden fees, abusive terms, and deceptive practices;
- Establishes an Office of Financial Education to educate and empower consumers to make better informed financial decisions;
- Protects small businesses from unreasonable fees by requiring the Federal Reserve to issue rules to ensure that fees charged to merchants by credit card companies for debit transactions are reasonable and proportional to the cost of processing those transactions;
- Provides \$1 billion to the Neighborhood Stabilization Program to combat the foreclosure crisis by rehabilitating, redeveloping, and reusing abandoned and foreclosed properties, \$1 billion for bridge loans to qualified unemployed homeowners to stay in their homes, and authorizes a grant program to provide foreclosure legal assistance to low- and moderate-income homeowners and tenants related to home ownership preservation, home foreclosure prevention, and tenancy associated with home foreclosure;
- Reforms the mortgage industry to protect homeowners from predatory lending practices by prohibiting mortgage lenders from receiving secret payments when steering families towards high-cost loans, requiring lenders to ensure a borrower's ability to pay, and disclosing the maximum amount a consumer could pay on a variable rate mortgage; and
- Permanently increases deposit insurance for banks, thrifts and credit unions to \$250,000, retroactive to January 1, 2008.

Senator Reid Demanded Real Help from Bank of America for Nevada Homeowners. Hearing firsthand many complaints from Nevadans about Bank of America's responsiveness to struggling homeowners, Senator Reid urged the CEO of Bank of America to allocate more resources to Nevada. In response, Bank of America agreed to set up a 1-800 hotline exclusively for Nevada homeowners who have a mortgage with Bank of America, open three homeownership resource centers in Henderson, Las Vegas, and Reno for customers struggling with their mortgage, and devote a team of Bank of America loan specialists to work alongside Senator Reid's staff on housing casework.

Senator Reid Helped Protect Nevada’s Consumers from Toxic Products and Dangerous Toys. After the rash of recalled and dangerous toys a few years ago, Senator Reid was instrumental in rebuilding and strengthening the Consumer Product Safety Commission (CPSC) through enactment of the *Consumer Product Safety Improvement Act (CPSIA)*. CPSIA enables the CPSC to aggressively pursue and successfully fulfill its mission of “protecting consumers and families from products that pose a fire, electrical, chemical, or mechanical hazard or can injure children.” To prevent even the appearance of a conflict of interest, Senator Reid fought to prohibit CPSC commissioners and staff from accepting travel paid for by the industries they regulate. Key provisions of the *Consumer Product Safety Improvement Act* include the following: [S/Amdt 4105 to S. 2663, Senate Vote 38, 03/05/08; H.R. 4040, Senate Vote 41, 03/06/08; H.R. 4040 Conference Report, Senate Vote 193, 07/31/08, P.L. 110-314]

- Strengthening CPSC resources and effectiveness by increasing funding 50 percent, significantly increasing CPSC staff to monitor and test product safety and recalls, and streamlining product safety rulemaking procedures;
- Protecting Nevada’s children from unsafe products by banning lead in children’s products, requiring third-party testing and certification of the safety of children’s products, and mandating label tracking for children’s products to make it easier for parents to find out if a product has been recalled;
- Preventing deadly imports by improving information sharing among federal, state, local, and foreign agencies, increasing the numbers of CPSC employees at our nation’s ports, requiring safety certification of products, and banning the importation of recalled products;
- Providing greater penalties for corporations that have put unsafe products on our shelves, increasing civil penalties up to \$250,000 per violation, creating criminal penalties of up to five years jail time, authorizing State Attorneys General to pursue injunctive relief, extending whistleblower protections to manufacturers’ employees, and increasing the CPSC’s enforcement resources; and
- Enhancing recall effectiveness by banning the sale of recalled products, requiring manufactures and importers to ensure the funding of recalls, creating an online product safety database, increasing public access to recall information, and enhancing CPSC authority to order recalls and other corrective actions.

Senator Reid Fought to Protect Consumers from Unwanted Telemarketing Calls and Spam. Senator Reid supported enactment of the Federal Do Not Call Registry, which allows consumers to register their home and cell phone numbers with the Federal Trade Commission (FTC) to end unwanted telemarketing calls. Under Senator Reid’s leadership, Congress strengthened the Do Not Call Registry by ending the automatic removal of phone numbers from the registry (without this, consumers would have had to re-register the phone numbers every five years) and ensuring the FCC has the resources to enforce the registry. Senator Reid fought to give consumers the option to prevent financial services companies from sharing the private consumer information that often results in junk mail and telemarketing calls. Senator Reid also supported the CAN-SPAM Act, which made e-mail spam and deceptive commercial e-mails federal crimes and authorized the FTC and the Justice Department to shut down wrongdoers. [H.R. 395; H.R. 3161; S. 1655, Vote No. 365, 9/25/2003; H.R. 3451, S. 2096 -- passed Senate 2/6/08; S. 781 – passed Senate 12/17/07; S. 877, Vote No. 404, 10/22/03; H.R.2622, Vote No. 434, 70-24, 11/4/03]

Carson City	Las Vegas	Reno	Washington DC
600 East William St., Ste. 302 Carson City, NV 89701 Phone: 775-882-7343	333 Las Vegas Blvd. S., Ste. 8016 Las Vegas, NV 89101 Phone: 702-388-5020	400 S. Virginia St., Ste. 902 Reno, NV 89501 Phone: 775-686-5750	522 Hart Senate Office Bldg Washington, DC 20510 Phone: 1-866-SEN-REID