

**FOR IMMEDIATE RELEASE:** January 10, 2020

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## **Consumer Protection Leaders Applaud Governor Newsom's Plan to Create a "Department of Financial Protection and Innovation"**

**Sacramento** – Today, Governor Gavin Newsom unveiled a proposal lauded by consumer protection advocates that would revamp the Department of Business Oversight into the California Department of Financial Protection and Innovation. The change will provide the new agency with dozens of additional staff who will work to identify and curb financial abuses and provide stronger protections to vulnerable populations in our state.

"I want to thank Governor Newsom for his leadership and commitment to California's consumers by working to establish one of the strongest consumer protection departments in the nation," said **Kat Taylor**, CEO of Beneficial State Bank and Co-Founder of Beneficial State Foundation. "With the federal government rolling back crucial protections for consumers, we need our state government to protect California's residents from those who would take advantage of them and to set a strong example for the country."

Consumer Protection champion **Richard Cordray**, appointed by President Barack Obama as the first Director of the federal Consumer Financial Protection Bureau said, "Governor Newsom has taken an important step forward to make sure Californians are protected in the financial marketplace without having to rely on federal officials in Washington. This proposal will protect more people from fraud and abuse and help them secure the kind of innovative and consumer-friendly financial services they need and deserve."

"This is a bold step by a forward-thinking governor," said **Ted Mermin**, director of the California Low-Income Consumer Coalition. "The creation of a Department of Financial Protection and Innovation reflects two of the state's core principles: a commitment to justice and fairness for all, and a dedication to new ideas and better ways of getting things done. The DFPI is something for both consumers and businesses to celebrate."

"Governor Newsom's consumer protection proposal is an exciting step forward that has the potential to meaningfully improve the lives of millions of Californians," said **Christopher L. Peterson**, Director of Financial Services of Consumer Federation of America. "At a time when our country is struggling to care for ordinary families, California should lead the way in protecting consumers from tricks and traps in our financial system."

Executive Director of NextGen California, **Arnold Sowell Jr.** remarked, "In the face of a federal administration that has shown a complete disregard for and the abandonment of consumer rights, we applaud Governor Newsom's strong response - create a California entity to provide transparent, fair and effective consumer protections for the people of our state. NextGen looks forward to working with the Newsom administration, the Legislature, and our stakeholder community to ensure the success of this critical endeavor. I also want to acknowledge the leadership of Asm. Monique Limon in bringing attention to the need for statewide action on this issue."

### About The Office of Kat Taylor

Kat Taylor is active in a variety of social enterprises, public benefit and philanthropic ventures on the West Coast. Concurrently, she serves as Co-Founder and CEO of Beneficial State Bank, a Community Development Financial Institution whose mission is to bring beneficial banking to under-

resourced communities in an economically and environmentally sustainable manner. Taylor is also the owner of [TomKat Ranch](#) and the founder of [TomKat Ranch Educational Foundation](#), dedicated to inspiring a sustainable food system through ranching, training, tours, research, and school food and garden programs. Taylor serves and has served on many non-profit boards including the Harvard Board of Overseers, [Ecotrust](#), [Good Samaritan Family Resource Center](#), [ProPublica](#), [CuriOdyssey](#), [Insight Prison Project](#), [KQED](#) and [Yerba Buena Center for the Arts](#).

#### About Richard Cordray

Richard Cordray served as the first Director of the [Consumer Financial Protection Bureau](#) from 2012 to 2017. Prior to his appointment, Cordray variously served as [Ohio's Attorney General](#), [Solicitor General](#), and [Treasurer](#). He was the [Democratic](#) nominee for [Governor of Ohio](#) in [2018](#). Cordray was elected to the [Ohio House of Representatives](#) in 1990. Later, he was appointed by the [Ohio Attorney General](#) as the first [Solicitor General of Ohio](#). His experience as Solicitor led to his appearance before the United States Supreme Court to argue six cases. Cordray was elected Ohio Attorney General in November 2008 to fill the remainder of the term ending in January 2011.

#### About NextGen California

NextGen California is a non-profit organization dedicated to working on legislative, budgetary, regulatory, and programmatic issues. Originally founded in 2014 to focus on climate and environmental policy, in recent years, NextGen California has broadened its scope to advance solutions to various economic, and social justice issues. Specifically, our policy portfolio now encompasses topics such as: criminal justice and immigration; healthcare and food insecurity; mental health and voting rights; student loan debt and the Census; veterans issues and consumer protections; and affordable housing and environmental justice.

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