



**State of New Jersey**  
OFFICE OF THE ATTORNEY GENERAL  
DEPARTMENT OF LAW AND PUBLIC SAFETY  
PO Box 080  
TRENTON NJ 08625-0080

JON S. CORZINE  
*Governor*

ANNE MILGRAM  
*Attorney General*

October 14, 2009

Congressman Scott Garrett  
137 Cannon House Office Building  
Washington, D.C. 20515

Dear Representative Garrett:

I am writing to urge you to support the legislation creating the Consumer Financial Protection Agency ("CFPA"), and to strongly oppose any efforts to preempt state enforcement of state consumer protections against financial institutions covered by the CFPA.

New Jersey joined 23 other states in urging you to pass the CFPA, given its strong protections for consumers against impropriety by financial institutions. I now write to strongly urge you to oppose efforts to eliminate state authority to enforce state consumer protections against financial institutions regulated by the CFPA. The current version of the CFPA not only preserves state authority to enforce state consumer protections, but also authorizes states to enforce the CFPA itself. These provisions — in particular the provision protecting state power to enforce state norms — are vital for primarily two reasons.

First, the federal government has limited resources, and cannot reasonably be expected by itself to effectively identify and remedy financial fraud throughout the country. In fact, the incapacity of the federal government alone to oversee the broad, complex financial markets has in part led to the nation's current economic crisis. The breadth of financial fraud occurring in the current economic climate outstrips the resources of both the federal and state government — let alone either by itself. The joint resources of both federal and state government are not only desirable but are necessary if the security of consumers' financial resources is to be adequately protected.

Second, state law enforcement is more engaged at the community level, and thus has more direct insight on the particular kinds of financial fraud faced by state residents. This means not only are state enforcers better able to tailor enforcement strategies to the particular needs of state residents, but also that state enforcers are better able to identify and respond quickly to emerging types of financial fraud.



For these reasons, I urge you to defend New Jersey's authority to protect its citizens from financial fraud; safeguarding the financial security of state residents must be a joint state and federal endeavor. I am available at 609-984-9579 if you have any questions or concerns.

Sincerely yours,

A handwritten signature in black ink, consisting of a large, stylized loop that crosses itself, resembling a cursive 'A' or 'M'.

Anne Milgram  
Attorney General