

## **American College of Consumer Financial Service Lawyers Senator William Proxmire Lifetime Achievement Award**

Presented on April 29, 2023 to

### **MICHAEL CALHOUN**

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The American College of Consumer Financial Services Lawyers is pleased to present its Senator William Proxmire Lifetime Achievement Award to Michael “Mike” Calhoun, in recognition of his lasting contribution to and influence on consumer financial services, including protecting consumers from predatory lending, providing affordable housing to low- to moderate-income (LMI) consumers and creating and leading the Center for Responsible Lending (CRL).

Mike has been a voice of reason throughout his legal career. He is respected by both the advocacy and lending communities for his leadership in the development of sound and fair credit products and practices. His legacy includes helping save a thriving Black community in Durham from destruction by a state highway, anti-predatory lending state laws across the country, the lasting federal consumer protection provisions of the Dodd-Frank Act, and a qualified mortgage rule that promotes viable homeownership among many other major accomplishments.

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Mike was born in Pensacola, Florida and grew up in Orlando after his family moved there when his father Bill starting working for the United States space program. His mother Opal was a social worker, who led a social services nonprofit located in an LMI neighborhood. He began his long-lasting relationship with North Carolina and basketball, when he moved to Durham in 1971 to attend Duke University where he graduated with honors with a degree in economics. He then moved a little down Tobacco Road to attend law school at the University of North Carolina.

It was during law school that Mike began working on issues that impacted LMI consumers and communities of color. Working as a paralegal at Durham Legal Aid, Mike learned about the North Carolina Department of Transportation’s plan to construct the Durham Freeway through a 100-year-old Black neighborhood. The plan would have divided and ultimately demolished the thriving neighborhood of Hayti even though other options for the highway with much less impact were not considered by the state government. After graduating from law school, Mike ultimately became the lead lawyer on a Title VI administrative case challenging the state government’s plan, one of the country’s first environmental justice cases. Mike not only oversaw the legal issues, but also understood the need for parallel political action. He arranged for busloads of Durham residents who opposed the plan to protest outside state agencies. The legal and political pressure led to the landmark decision in 1978 by the U.S. Department of Transportation to divert the path of the highway and provide \$10 million in assistance to communities in the area of the highway. The innovative result redesigned the freeway and renovated the community, providing homeownership and affordable rental housing for its residents.

During his legal aid period, Mike’s family was growing. After son David joined daughter Katherine in 1985, Mike left legal aid so that he could work part-time and devote more time to parenting. He joined a public interest law firm with three others, including Martin Eakes, that allowed for a more flexible work schedule. At the law firm, he worked on class action lawsuits and then in 1994, Mike forged a new path, and joined Self-Help with Martin, which provides affordable housing and financing to people in underserved communities.

It was during his tenure at Self-Help as General Counsel and Head of Compliance that Mike noticed in the late 1990s an alarming financial trend. Consumers who had sustainable mortgage loans through lenders like Self-Help and Habitat for Humanity were refinancing in to higher cost debt consolidation loans with predatory lenders. These lenders stripped equity from their borrower forcing an alarming number of LMI and people of color borrowers to lose their homes to foreclosure. To address this growing problem, in 1999, Mike spearheaded the successful effort in North Carolina that led to the passage of one of the first state laws focused on combatting predatory lending. The North Carolina law became a template for other state laws across the country.

The predatory lending crisis was a wake up call for more targeted action to help LMI consumers. Mike realized that Self-Help needed a policy arm, so he and his colleagues obtained funding in 2001 to start the nonprofit CRL. Mike was initially General Counsel and beginning in 2006 became the president of CRL, just in time for the Great Recession. CRL, under Mike's leadership, was one of the first organizations to warn that the subprime lending sector – including predatory products such as exploding adjustable rate mortgages (ARMs) and predatory payday lenders – was on the verge of collapse. And as we all know now, CRL and Mike were right.

Mike and CRL continue to be at the forefront of important financial issues for consumers. In the wake of the Great Recession, Mike worked closely with Congressional leaders on the passage of the Dodd-Frank Act, which created the Consumer Financial Protection Bureau (CFPB) and provided additional protections for consumers. Mike was also instrumental in providing guidance leading to the CFPB's Qualified Mortgage Rule, which helps ensure mortgage lenders would race to sustainable lending practices and not to the bottom.

Mike is well known for doing his homework and is adept at building coalitions across different communities behind the scenes to come up with constructive solutions. Mike worked closely with the banking and advocacy communities to ensure that the U.S. Department of Housing and Urban Development rethought the Trump-era Disparate Impact Rule and replaced it with a rule that is consistent with decades of jurisprudence on the Fair Housing Act. He also played an important role in influencing the federal government to provide student debt reduction relief of \$10,000 to eligible borrowers and \$20,000 in relief for recipients of Pell Grants.

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Although best known for his political and legal acumen, Mike is also an accomplished athlete who golfs and plays basketball regularly, including a longstanding regular pick-up basketball game with Richard Cordray, former Director of the CFPB. There are unconfirmed rumors that President Obama may have joined one of the games. Not surprisingly, Mike plays a keen inside game on the basketball court. He keeps his eye on where the ball is going and looks for openings for his team to succeed. Off the court, Mike continues to help CRL see around corners in successfully advocating for its agenda. He frequently testifies before Congress, comments on federal and state policies and legislation and serves on the Board of the Leadership Conference on Civil and Human Rights and serves as a member and Chair of the Federal Reserve Board Consumer Advisory Committee.

When he is not working or commuting between Washington, D.C. and Durham, Mike also makes it a priority to spend time with his partner, Lisa Donner, and his family, including his grandchildren Caitlin, 9, Jocelyn, 7 and Daniel, 1.

Through Mike's efforts on behalf of particularly LMI consumers and people of color, he has helped make it a safer marketplace to get sustainable credit and affordable housing. And although none of this work has been an easy layup, we know that Mike will continue to give back to those who need it most. He is a worthy recipient of the Senator William Proxmire Lifetime Achievement Award.