

Dear [Editorial Page Editor or Writer],

Just this morning, President Obama notified the Senate that he is renominating Richard Cordray to serve a full term as director of the Consumer Financial Protection Bureau. Meanwhile, 43 Senators are pledging to once again block this nomination unless and until the agency is dramatically weakened.

I am writing to urge you to speak up for Cordray's confirmation, and against the continued political assault on the CFPB. This agency was created to address a very large and real program – the abusive and deceptive banking and lending practices that had fed an epidemic of foreclosures, saddled millions of Americans with unmanageable debt, and triggered a financial and economic calamity. Since Cordray's recess appointment a year ago (after the Senate failed to act on his original nomination), the bureau has ably begun to fulfill its mission.

It has been taking and investigating consumer complaints; moving to clean up the mortgage marketplace; providing "know before you owe" tips on mortgages and student loans; protecting service-members and their families from rip-offs; and even bringing a measure of law and order to the previously out-of-control world of credit scoring. It has been fining banks that break the law and returning ill-gotten gains to their customers. And it has been doing all this with a refreshing candor and transparency and outreach to the public, and with steady oversight from Capitol Hill.

The 43 Senators justify their demands with baseless claims about the director's "unaccountable" and "nearly unprecedented powers." In fact, as Bloomberg recently editorialized, Cordray "has operated the bureau in an open and transparent manner, meeting regularly with market participants, issuing regulations for public comment and changing final rules in response to concerns." Praise for his performance has come, notably, not just from consumer, community, civil rights, labor, and public-interest groups, but also from small business and local government organizations, and from a striking number of financial industry leaders. Responding to a recently issued set of new rules for mortgage lenders, for example, Dave Stevens, President of the Mortgage Bankers Association, paid tribute to the CFPB's "deliberative, inclusive, transparent" decision-making.

The claims of the bureau's critics are off-base in the abstract as well as in practice. Its funding and governance structures, which they portray as aberrant, are fairly common, and were adopted by Congress for sound reasons. Arthur E. Wilmarth of George Washington University, one of the country's leading authorities on administrative law, points out that regulators generally do a better job of resisting special-interest pressure when they have stable and independent funding rather than being forced to depend on industry fees or (as the 43 Senators demand for the CFPB) on annual congressional appropriations.

Nor is there anything extraordinary about the CFPB's single-director structure, which it shares with another key bank regulator, the Office of Comptroller of the Currency (OCC). The alternative demanded in the Senators' letter – a bipartisan commission – can easily lead to

gridlock. In any case, the CFPB already faces serious checks on its power, including a provision of the law making its decisions, unlike those of other bank oversight agencies, subject to veto by a committee of financial regulators known as the Financial Stability Oversight Council. That reality, and the absence of any comparable outcry over the OCC or other similarly configured agencies, suggests that the CFPB's opponents, as Wilmarth observes, are "motivated by their opposition to [its] consumer protection mission rather than the bureau's structure."

The bureau's opponents were emboldened by a recent D.C. Circuit court ruling dramatically limiting recess appointments. Since that decision, several Senators have called for Cordray's resignation, and lobbyists with interests at stake have been "predicting" that the bureau's supporters will have to give in to their demands. But they are taking a large and unfounded leap. Recess appointments have a long, bipartisan history. This is just one court's finding in a case involving the National Labor Relations Board, not the CFPB. The ruling has been appealed, and will be far from the last word on the matter.

For all the high-minded arguments of the Senator's letter, this is, at bottom, the story of a minority of legislators who voted against the Dodd-Frank Act and against the creation of the CFPB trying to use the filibuster and the confirmation process to achieve a policy reversal they could never hope to win directly.

It is time for them to reconsider a stand that, in the end, cannot serve either their professed principles or their political interests. They should take a moment to remember the price the country paid (and continues to pay) for not having such an agency, and then to reflect on the consequences of continued intransigence. Who really gains from a persistent campaign to weaken this agency? Lawyers and lobbyists, for starters, since they always profit from litigation and confusion. And, of course, the most abusive players in the financial services marketplace who hope to be able to continue to rip off consumers and undermine standards for the whole market. (Consider, as an illustrative example, the [foreclosure scam operation](#) in Los Angeles that has seized on the DC Circuit's ruling to try to pressure the CFPB into a friendly settlement.)

It is time for the CFPB's opponents to get out of the way of a much needed financial-reform measure that passed by wide margins in both the House and the Senate, was signed into law by the President, and commands the support of large majorities of the American people, across lines of party and geography.

If you decide to write about this, you may find useful material on our website. See dropdown menu under "Confirm Cordray / Defend the CFPB" at [ourfinancialsecurity.org](http://ourfinancialsecurity.org). Please feel free to call or email if I can help in any other way.

Sincerely,

Jim Lardner

Communications Director  
Americans for Financial Reform  
W 202-466-1854  
M 646-319-4701  
[Jim@ourfinancialsecurity.org](mailto:Jim@ourfinancialsecurity.org)