



FACT SHEET: RICHARD CORDRAY & THE CONSUMER FINANCIAL PROTECTION BUREAU

Consumers Need the Consumer Financial Protection Bureau to Get to Work

Republican Filibuster of Consumer Protection Director Will Harm Tens of Millions of Families. CFPB's inability to exercise its full authority while it awaits a Director affects the lives and financial security of tens of millions of American families who rely on non-bank financial institutions for their financial needs: [White House, [12/4/11](#)]

- Roughly *200 million Americans* rely on credit reporting agencies to report their credit histories accurately when applying for mortgages, loans to purchase cars and other goods, or credit cards to facilitate their daily financial transactions.
- Studies estimate that nearly *20 million* individuals use payday lenders.
- More than *14% of consumers* have one or more debts in collections.
- *Over 4 million Americans* have used prepaid cards. [White House, [12/4/11](#)]

CFPB Will Protect Active Duty Military and Veterans from Financial Fraud and Abuse. The CFPB includes an Office of Servicemember Affairs to educate and empower servicemembers to make smart decisions regarding their finances and to improve consumer protection measures for military families. Testifying before the Senate Banking Committee last month, Holly Petraeus said, "it's a frustration right now to have, to not be able to do everything that people expected us to do. When I first began, I got letters saying we're so excited that there's an agency now that you, Mrs. Petraeus, will be able to do something about these people that prey on the military. So I'm very eager for the day when our non-bank supervision team can, if I can use an analogy, stop circling the airfield and get permission to land and start their work." Asked what Congress could do to help CFPB better protect military families, Petraeus added, "Confirm a director." [Senate Banking Committee Hearing, 11/3/11]

CFPB Will Level the Playing Field Between Community Banks and Credit Unions and Their Non-Bank Competitors. Senate Banking Committee Chairman Tim Johnson argued in October, "Unfortunately Senate Republicans are blocking his confirmation, and in doing so they are blocking vital new protections for consumers, and putting community banks and credit unions at a disadvantage to their less-regulated competitors." The Treasury Department noted that Wall Street Reform "helps to level the playing field between small banks and their nonbank competitors by making sure they're playing by the same set of rules." [Johnson Statement, [10/6/11](#); Treasury Notes, [10/7/11](#)]

Richard Cordray Is Highly Qualified and Has Bipartisan Support to Head the Consumer Protection Bureau

Ten Republican Attorneys General Have Endorsed Cordray, Calling Him "Brilliant and Balanced." "In a letter to U.S. Senate leaders, 37 state and territorial attorneys general urged lawmakers to approve former Ohio attorney general Richard Cordray as director of the Consumer Financial Protection Bureau (CFPB). The letter calls Cordray 'particularly well qualified to serve in this position' and praises him as 'brilliant and balanced.' ... Mark Shurtleff, Utah's Republican attorney general, told reporters that he and nine other GOP attorneys general had attached their names to the letter. Shurtleff said he would continue to have conversations with Utah's two GOP senators and encourage them to move forward with the nomination."

“We need Rich Cordray in there, who not only understands these things on a national basis, but knows us, knows how to work with us and knows the structure and organization of our offices,” Shurtleff said. [Governing, [10/18/11](#); Credit.com, [10/21/11](#)]

- **Ohio GOP Attorney General and 2010 Cordray Opponent: Cordray “Very Well-Qualified” To Lead CFPB.** “Ohio Attorney General Mike DeWine, who defeated Cordray last November, said Cordray ‘is very well-qualified for this job. He’ll do a good job.’” [Columbus Dispatch, 7/18/11]

Cordray is Highly Qualified to Lead the CFPB. Prior to joining the CFPB, Richard Cordray served on the front lines of consumer protection as Ohio's Attorney General. Cordray also served as Ohio Treasurer and Franklin County Treasurer, two elected positions in which he led state and county banking, investment, debt, and financing activities. Earlier in his career, Cordray was an adjunct professor at the Ohio State University College of Law, served as a State Representative for the 33rd Ohio House District, was the first Solicitor General in Ohio’s history, and was a sole practitioner and Of Counsel to Kirkland & Ellis. [Cordray Bio]

As Ohio’s Attorney General, Cordray Fought for Consumers and Middle-Class Families, Winning \$2 Billion in Settlements. “In Ohio, Cordray took on the bank, the insurance giant and securities brokers, among others, who played a role in the Wall Street meltdown or who left homeowners ‘under water’ because of complex subprime loans. In just over a year, he won judgments or settlements totaling \$2 billion. Several Ohio Republicans, former colleagues from the corporate legal world and even former political foes think highly of Cordray, who is a five-time champion on the game show “Jeopardy!” and qualified for its Tournament of Champions.” [Politico, 7/20/11]

Cordray Was Only Statewide Democrat to Receive Endorsement From Conservative Newspaper in His Last Election. In 2010, the Columbus Dispatch endorsed Republican candidates for Governor, U.S. Senate, Secretary of State, Auditor and Treasurer – along with Richard Cordray as Attorney General. They wrote, “As attorney general, Democrat Richard Cordray has continued his stellar record of public service and deserves re-election. At every step of his public career, as well as in the private practice of law, he has earned top marks. He has served admirably as state representative, solicitor general, county treasurer, state treasurer and attorney general. His intelligence, judgment and professionalism are widely acknowledged by Democrats, Republicans and independents.” [Columbus Dispatch, [10/31/10](#)]

Ohio Bankers League Supports Cordray. Mike Van Buskirk, President of the Ohio Bankers League, described Cordray as “very bright, ethical, and committed to the public good.” [Buskirk Letter, [7/25/11](#)]

Even Senate Republicans Have Voiced No Concerns About Cordray Personally. Senate Republicans irresponsibly and preemptively vowed earlier this year to block any nominee to the Consumer Financial Protection Bureau, regardless of his or her qualifications. At his confirmation hearing in September, Banking Committee Republicans expressed no concern about Cordray personally, his past, or his qualifications for the job. [Senate Banking Committee Hearing, 9/6/11]

The Consumer Financial Protection Bureau Was Designed to Be Accountable to Taxpayers and Businesses

CFPB Budget Is Statutorily Capped and is Subject to GAO & Independent Audits. . The CFPB is funded by authorized transfers from the Federal Reserve System, subject to limits established in the Wall Street reform bill. The CFPB is the only federal bank regulator subject to a budgetary cap. Although the CFPB is authorized to request up to \$200 million in discretionary appropriations from Congress if the amount transferred by the Federal Reserve is not sufficient, the Bureau did not request additional discretionary funding for either FY 2011 or FY 2012. In addition, the Bureau’s funding is subject to GAO and independent audits. [[CFPB Budget In Brief](#); Senate Banking Committee Hearing, 7/19/11]

- **CFPB Received High Marks in First Financial Audit.** Last month, the Government Accountability Office released the results of its first financial audit of the CFPB. The GAO found that the Bureau's financial statements were "fairly presented in all material respects" and that CFPB "had effective internal control over financial reporting" as of Sept. 30. [GAO, [November 2011](#)]

By Law, the CFPB Is Required to Consider the Impact of Proposed Rules on Small Businesses and Small Community Banks and Credit Unions. The CFPB is required to consider the impact of proposed rules on banks and credit unions with \$10 billion or less in assets as well as the impact on consumers in rural areas during its rulemaking process. In addition, CFPB rules are subject to the Small Business Regulatory Enforcement Act's small business panel review process. CFPB must review potential rules with affected small businesses prior to the publication of such proposed rules. The CFPB is one of only three federal agencies that is subject to this type of small business review. No other federal bank regulator is subject to that kind of review. [[Senate Banking Committee](#); Senate Banking Committee Hearing, 7/19/11]

CFBP Rulings Can Be Vetoed By Financial Stability Oversight Council. "If a bureau action is perceived to threaten the safety and soundness of the financial system, a new supervisory panel, the Financial Stability Oversight Council, can veto agency rules with a two-thirds vote. The oversight council includes the heads of nine federal regulatory agencies, with Treasury Secretary Tim Geithner serving as chairman." [McClatchy, [7/19/11](#)]