

In Wake of Supreme Court Decision to Hear Suit, Brown Urges Senate Confirmation of Richard Cordray for CFPB

Cordray Has Received High Marks by Industry and Consumer Groups Alike

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WASHINGTON, D.C.—Following the U.S. Supreme Court's decision to hear argument in *Canning v. NLRB*, U.S. Sen. Sherrod Brown (D-OH) urged Senate confirmation of Richard Cordray's to head the Consumer Finance Protection Bureau (CFPB). Brown also released a sampling of positive reviews that Cordray has received from industry and consumer groups alike.

"The president has faced unprecedented obstruction on Rich Cordray's nomination to CFPB. For the first time in history, a minority party pledged to block a nominee simply because it opposed an agency's very existence. And despite receiving high marks from industry and consumer groups alike, Wall Street special interests and their allies in Congress continue a nonsensical quest to weaken the ability of the federal government to stand up for consumers. So-called reforms to the CFPB's structure represent nothing more than solutions in search of problems. It's time to put consumers first and confirm Rich Cordray."

Brown chairs the Senate Banking Subcommittee on Financial Institutions and Consumer Protection. According to the Senate Historian, Republican objection to Director Cordray in 2011 was **the first time in history that the minority party pledged to block a nominee simply because it opposed an agency's very existence.**

Today, Brown released a sampling of positive reviews that Cordray has received from industry and consumer groups alike:

- **Center for Responsible Lending**— *"Not everything the industry asked for is bad. We really think they [CFPB] struck a good balance between a safeguard for consumers and not needlessly pointing at the banks."* – Kathleen Day
- **Colfax Banking Co.**— *"These are huge improvements to the rule for which our institution and many others will now qualify,"* – Chad McClung, president of Colfax Banking Co. in Louisiana
- **The Independent Community Bankers of America**— *"Community banks make sound mortgage loans and did not participate in the kinds of abuses that contributed to the housing and financial crisis. Therefore, ICBA and the nation's community bankers support the CFPB's efforts to minimize the negative impact of its new ability-to-repay and qualified mortgage rules on Main Street communities. Nevertheless, more work needs to be done to ensure that consumers nationwide continue to have access to the mortgage market so our housing and financial systems can continue their recovery."* – Bill Loving, ICBA chairman and president and CEO of Pendleton Community Bank in Franklin, W.Va
- *"We are very pleased that the bureau did seriously listen to community bankers. This is a vital part of community bank mortgage lending."* – Ron Haynie, senior vice president for mortgage finance policy, ICBA
- **Mortgage Bankers Association**— *"The CFPB and Director Cordray have shown that they are listening to the broad constituency of organizations involved in housing finance. Today's announcement makes important changes to the rule that will benefit consumers by better allowing lenders of all shapes and sizes, including non-profit entities, to help and serve borrowers. We are particularly pleased at the adjustments made to the rule as it relates to smaller lenders, regardless of business model, that will allow them to continue to provide the safe and sustainable mortgage products that they are currently offering their borrowers. We also welcome the stipulation that compensation paid by brokers and lenders to loan originator employees do not count toward the points and fees threshold for what constitutes a 'Qualified*

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Mortgage.’ Both of these provisions should facilitate a more efficient and affordable marketplace for borrowers. While obviously there is more we would have liked to have seen done, particularly around the points and fees calculation, I think today’s announcement shows that the bureau is trying to appropriately balance consumer protection with access to affordable credit for qualified borrowers.” – Dave Stevens

- **American Bankers Association**—“ABA welcomes adjustments made by CFPB today to the ability-to-repay rules to accommodate certain types of mortgage lending and consumer needs. In particular, ABA is pleased that rule changes were adopted that will exclude compensation paid by lenders to loan originators from the calculation of points and fees limits.” – Robert Davis, Executive Vice President

Congress created the CFPB in 2010 to help ensure the financial products and services that Americans depend on every day—including credit cards, mortgages, and loans—work better for the people who use them. In February, 43 Republican Senators sent a letter protesting the CFPB’s independence and vowing to oppose any nominee to lead the consumer protection agency. Later that month, 54 Democratic Senators sent the President a letter supporting the CFPB and Richard Cordray as its director.

Cordray currently serves as director at the CFPB, but his appointment will expire if the Senate does not confirm him by the end of the year. Cordray served as Attorney General of Ohio from January 2009 to January 2011. As Attorney General, Cordray recovered more than \$2 billion for Ohio’s retirees, investors, and business owners and took major steps to help protect its consumers from fraudulent foreclosures and financial predators. Prior to his tenure as Ohio’s Attorney General, Cordray spent two years as Ohio’s State Treasurer and four as the Treasurer of Franklin County, Ohio. In 2008, he received a Financial Services Champion award from the U.S. Small Business Administration and a Government Service Award from NeighborWorks America. In 2005, he was named “County Leader of the Year” by *American City & County Magazine*.

Earlier in his career, Cordray was an adjunct professor at the Ohio State University College of Law (1989-2002), served as a State Representative for the 33rd Ohio House District (1991-1993), was the first Solicitor General in Ohio’s history (1993-1994), and was a sole practitioner and of counsel to Kirkland & Ellis (1995-2007). Cordray has argued seven cases before the United States Supreme Court, including by special appointment of both the Clinton and Bush Justice Departments. Cordray is a graduate of Michigan State University, Oxford University, and the University of Chicago Law School. He was editor-in-chief of the *University of Chicago Law Review* and later clerked for U.S. Supreme Court Justices Byron White and Anthony Kennedy.

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