

Remarks by Senator Elizabeth Warren on the Re-Nomination of Rich Cordray to be Director of the Consumer Financial Protection Bureau

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As Prepared for Delivery

Thank you Mr. President. I rise today to speak about the Consumer Financial Protection Bureau and the re-nomination of Rich Cordray to serve as its director.

Several years ago, I began working on the idea for a consumer finance agency because our consumer credit system was badly broken. The laws were inconsistent and often arbitrary, and the basic rules changed for the same kind of product—like a mortgage—depending on what kind of company sold it. People got cheated, and, in 2008, reckless and dangerous mortgage lenders and Wall Street traders who made money off those mortgages nearly brought our entire economy to its knees.

In 2010, Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act. The “consumer protection” part of that was the new consumer agency, the CFPB, which was designed as a watchdog to keep credit card issuers, mortgage lenders, and student loan marketers from cheating people.

There was a lot of negotiation over the structure of the new agency. Hearing after hearing, mark-up after mark-up, floor vote after floor vote. Now the same big bank lobbyists are fighting the same fight and using the same tired old talking points about the consumer agency that they were using years ago. You really have to wonder just how much money the big bank lobbyists have made fighting against this agency for five years now. But one more time, let’s talk about the facts. Congress built in many features to subject the consumer agency to strong oversight. Let me share a few of the many examples:

- The CFPB is the only agency in government that is subject to a veto from other agencies over its rules—the only one anywhere.
- The CFPB is the only banking regulator that is subject to a statutory cap on its funding—the only one.
- The CFPB Director is legally obligated to produce regular reports to Congress, to testify regularly to Congress, and to comply with audits. Mr. President, the CFPB has now testified more than 30 times before Congress—30 times.
- In addition, the CFPB is subject to all the regular constraints in our system of government that constrain every agency – the Administrative Procedures Act, judicial review, and so on.
- And, of course, there’s the ultimate oversight: Congress can overrule any CFPB regulation.

Since the agency became law in 2010, there have been two major developments.

The first is that Director Cordray has done an excellent job. He has won praise from consumer and industry groups, and from Republicans and Democrats, for his balanced rulemaking and measured approach. Small institutions like community banks and credit unions – the ones that didn’t cause the crisis – think he’s been fair and effective. And other institutions that want a fair marketplace -- and don’t want to cheat – they like Rich too.

And Mr. President, the agency is working. It has already forced credit card companies to refund nearly half a billion dollars that they tricked consumers out of, and the complaint center is giving tens of thousands of people a chance to fight back when they are cheated. The agency has helped out military families, seniors and students. It’s helped a lot of people.

The agency has become the watchdog that so many of us fought for. And Rich has surpassed even the high expectations I had for him the day two years ago that I stood next to him in the Rose Garden as the President first announced his nomination to the CFPB.

There is a second major development since 2010. The need for certainty has intensified. It has been nearly five years since the crisis and three years since the passage of Dodd-Frank. The banks need to know for sure who is in charge and what rules apply. They need to know everyone will be playing by the same rules and what those rules will be.

For example, both lenders and consumer groups have praised the CFPB's new mortgage rules. Now it is time for everyone to know that these new rules—not the unpopular default rule in Dodd-Frank that the new rules replaced—are the law. That helps everyone.

The American people deserve a government that will hammer out good rules, enforce those rules, then get out of the way so the markets can work. They do *not* deserve endless re-litigation of stale political disputes and the uncertainty caused by repeated filibusters of qualified and proven nominees.

I am new to the Senate, but I don't understand why this body accepts a system where this kind of political stalemate won't end in more government or less government but just in bad government – government that lacks the consistency, clarity, and predictability that honest businesses and hard-working families need to plan for the future.

And I don't understand why we would let an honorable public servant like Rich Cordray get stuck in this nonsense. I don't understand why, when everyone says Rich is terrific, that we can't just vote on his appointment.

I know that some Republicans and lobbyists think that this filibuster on Rich's appointment can shut down the work of the agency. They think it can shut down the agency and protect the big banks from any meaningful consumer protection rules.

Mr. President, they can use slogans all they want and talk about things like "accountability." But outside the halls of this Congress and the fancy lobbyist offices across Washington, no one wants more fine print and more tricks and traps. No one thinks it's ok to cheat regular people and cut special deals for giant banks. And no one wants to take the cops off the beat so big banks can break the rules without being held accountable.

So let me be clear to those who think this filibuster will shut down the work of the new agency, let me be crystal clear. The Consumer Financial Protection Bureau is the law and it is here to stay. Do your dirtiest with obstructing the confirmation of the Director, but the agency will keep on doing what it does best: fighting for people.

We fought to get the consumer agency. We fought big banks and their lobbying army. We fought hard, and we won. Now we have a strong and independent watchdog to stop the banks from cheating families. We're not giving up now.

Thank you.

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