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Hensarling Opening Statement at CFPB Hearing
"Congress has made Mr. Cordray a dictator. And when it comes to the well-being and liberty of American consumers, he is not a particularly benevolent one."

Washington, Mar 16 -

WASHINGTON- Financial Services Committee Chairman Jeb Hensarling (R-TX) delivered the following opening statement at today's full committee hearing with Director Richard Cordray of the Bureau of Consumer Financial Protection:

Not that we need a reminder, but if there's one thing the presidential campaigns of both parties are showing us it's that the American people are indeed angry. They have a right to be angry. After seven years of Obamanomics, they are still suffering through a failed economic recovery – the slowest and worst in our lifetimes. This is indisputable.

Americans are even angrier, though, at having their lives increasingly ruled by out-of-touch Washington elites. Every day they see their liberties slipping away as Washington inexorably grows larger, more intrusive, more distant and more arrogant.

As Thomas Jefferson once warned, government agencies are sending "swarms of officers to harass our people, and eat out their substance."

Today, the poster child of Jefferson's lament is the CFPB. Its director, our witness, is neither elected nor accountable to the American people. Yet when it comes to consumer financial products, he is vested with the awesome power of the entire United States Congress. This is amazing, frightening and tragic.

Soon Mr. Cordray will presume to decide for all Americans whether *he* will allow them to take out a small-dollar loan to keep their utilities from being cut off or to keep their car on the road so they can go to work.

Soon Mr. Cordray will decide whether *he* will permit Americans to resolve contract disputes through arbitration or simply hand over the keys to the CFPB's luxury office building to the wealthy, powerful and politically well-connected trial lawyers lobby.

Already Mr. Cordray has decided who in America can receive a mortgage under his Qualified Mortgage rule, which when fully implemented will disqualify almost one-fourth of all Americans who qualified for a home mortgage just a few years ago. Already Mr. Cordray has decided that countless Americans should pay more for auto loans based upon junk science and a dubious legal theory of statistical unintentional discrimination. All the while his agency reels from countless accusations of actual discrimination.

Apologists for the Bureau, along with Mr. Cordray, frequently cite the tens of millions of dollars of fines they have imposed as proof they are protecting consumers.

But the Bureau operates as legislature cop on the beat, prosecutor, judge and jury all rolled into one.

Fines imposed in such an abusive structure tell us nothing about justice or consumer welfare. Nothing.

In short, Congress has made Mr. Cordray a dictator. And when it comes to the well-being and liberty of American consumers, he is not a particularly benevolent one.

Congress must address this critical problem because Congress helped create this problem. It has outsourced much of its legislative authority to the executive branch in general, and CFPB in particular. And in doing so has compromised our foundational principles of co-equal branches of government, checks and balances, due process and justice for all. Congress must reclaim its Article I authority and reclaim it now.

There is no better place to start than the CFPB, an agency that has abused power that it never should have had in the first place. It is time to uphold our oath to the Constitution. It is time to strip the CFPB of its rule-making authority and return it to the elected representatives of "We the People."