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United States Senate
COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

January 17, 2017

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau (CFPB)
1700 G Street, NW
Washington, D.C. 20552

Dear Director Cordray:

Tough law enforcement against financial fraud has been the guiding star of your tenure as Director of the Consumer Financial Protection Bureau. We have watched you work closely with Attorneys General from almost every state to make sure no one is above the law when it comes to taking advantage of hardworking Americans all over the country.¹ Your leadership as an effective consumer watchdog at the agency is needed under the incoming administration.

Shortly after you were appointed as the first CFPB Director, the Bureau undertook three enforcement actions that secured more than \$525 million in refunds and restitution for people that had been scammed by their credit card companies.² Over your tenure, the CFPB has processed more than a million consumer complaints and undertaken more than 150 enforcement actions against mortgage aid schemes that ripped off struggling homeowners, predatory financial firms that set up shop next to military bases to target servicemembers, scam for-profit schools that took advantage of veterans' benefits, and companies that trained their employees to trap consumers in debt.³ The Bureau's aggressive action against law-breakers has, to date, returned nearly \$12 billion to the pockets of 29 million Americans – in addition to tough fines against banks, like the \$100 million Wells Fargo paid the government for its unconscionable fake account scheme.⁴

Under your leadership, the CFPB has worked to protect servicemembers, seniors, students, and working families of all backgrounds from predatory financial schemes and illegal discrimination. It is no wonder that Attorneys General and other law enforcement groups, including the National Fraternal Order of

¹ Enforcement actions available at CFPB website, see <http://www.consumerfinance.gov/about-us/newsroom/cfpb-47-states-and-d-c-take-action-against-jpmorgan-chase-for-selling-bad-credit-card-debt-and-robo-signing-court-documents/>; and:

<http://www.consumerfinance.gov/about-us/newsroom/cfpb-and-13-state-attorneys-general-obtain-about-92-million-in-debt-relief-for-servicemembers-harmed-by-predatory-lending-scheme/>

² <http://www.thedailybeast.com/articles/2012/10/02/the-cfpb-s-first-three-actions-against-the-credit-card-companies.html>

³ Enforcement Actions available at CFPB website, see <http://www.consumerfinance.gov/about-us/newsroom/consumer-financial-protection-bureau-halts-alleged-nationwide-mortgage-loan-modification-scams/>; and <http://www.consumerfinance.gov/about-us/newsroom/cfpb-takes-action-against-military-allotment-processor-for-charging-servicemembers-hidden-fees/>; and <http://www.consumerfinance.gov/about-us/newsroom/cfpb-sues-for-profit-cornithian-colleges-for-predatory-lending-scheme/>; and <http://www.consumerfinance.gov/about-us/newsroom/cfpb-takes-action-against-ace-cash-express-for-pushing-payday-borrowers-into-cycle-of-debt/>.

⁴ See Yuka Hayashi, *CFPB Levies Its Largest Fine Ever: \$100 Million Against Wells Fargo*, Wall Street Journal, Sept. 8 2016 available at <http://www.wsj.com/articles/cfpb-levies-its-largest-fine-ever-100-million-against-wells-fargo-1473373739>

Police, endorsed your nomination to lead the Bureau, noting that “Richard Cordray will be an effective partner in combatting fraud and other illegal schemes[.]”⁵

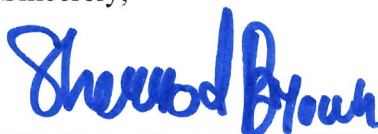
Even according to the financial industry, you have been tough, but fair, during your term as Director. The American Financial Services Association said, “There is a receptivity [by the CFPB] to learn, and that’s very refreshing. They want to get it right.”⁶ The American Bankers Association called the CFPB’s approach to oversight “pretty good news” and the head of the Consumer Bankers Association called the agency “the most accessible of any I’ve ever dealt with in this town.”⁷ In its letter of support, the Ohio Bankers League said “Mr. Cordray has demonstrated real ability improving the operating efficiency and effectiveness of each of the agencies he has headed,” while also praising your quick and effective turnaround of the Ohio Attorney General’s office which had “lost direction and morale” as the result of your predecessor’s ethics scandal.⁸

Civil rights groups and consumer advocacy groups have also praised your leadership at the CFPB, both for repairing the Bureau’s flawed employee performance review system and for ensuring fairness in the consumer marketplace through tough enforcement of fair lending laws. The Leadership Conference on Civil and Human Rights said that “The Consumer Financial Protection Bureau, under the leadership of Director Cordray, has significantly improved the lives of people across the country, especially in our diverse communities.”⁹

Polling shows that the vast majority of Americans agree that the CFPB has been doing great work. 71% of Americans -- Republicans and Democrats -- approve of the CFPB’s mission and 66% of Republicans who voted for President-Elect Trump believe that the CFPB should be left alone to do its work or even be given expanded authority to do more.¹⁰

This is a testament to your time at the CFPB. We hope you continue to lead the charge against companies that take advantage of hardworking Americans.

Sincerely,



Sherrod Brown



Jack Reed

⁵ Letter from National Fraternal Order of Police to Chairman Johnson and Ranking Member Shelby, United States Senate Committee on Banking, Housing and Urban Affairs, in support of the nomination of Richard Cordray as Director of the Consumer Financial Protection Bureau, July 25, 2011.

⁶ See Kate Berry, *Nonbank Lender Group Won’t Sue Over CFPB Cordray Appointment*, American Banker, Jan. 10 2012 available at http://www.americanbanker.com/issues/177_7/nonbank-cordray-cfpb-1045609-1.html

⁷ Building Up the Bureau, American Banker Magazine: http://www.americanbanker.com/magazine/121_12/cfpb-cordray-warren-1044217-1.html and On Its First Birthday, Consumer Bureau Flexes Its Muscle, Bloomberg:

<https://www.bloomberg.com/news/articles/2012-07-19/on-its-first-birthday-consumer-bureau-flexes-its-muscle>


⁸ Letter from Ohio Bankers League to Chairman Johnson and Ranking Member Shelby, United States Senate Committee on Banking, Housing and Urban Affairs, in support of the nomination of Richard Cordray as Director of the Consumer Financial Protection Bureau, July 25, 2011.

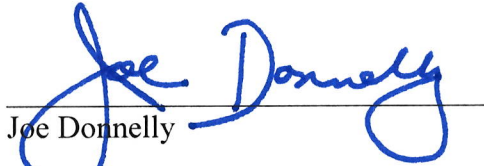
⁹ National Civil Rights Groups Praise Consumer Financial Protection Bureau and its Director available at

<http://www.civilrights.org/press/2016/cfpb-cordray.html>

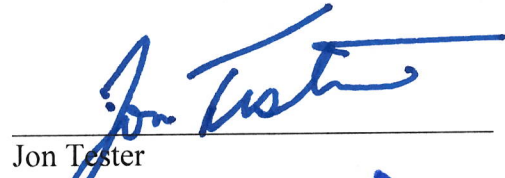
¹⁰ Polling by Lake Research Partners June 2016 available at http://ourfinancialsecurity.org/wp-content/uploads/2016/07/topline.afr_release.2016.06.29.pdf and Survey by Glover Park Group December 2016 available at <http://gpg.com/gpg-survey-trump-voters-december-2016/>

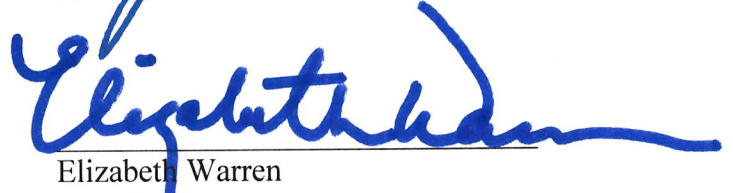

Robert Menendez

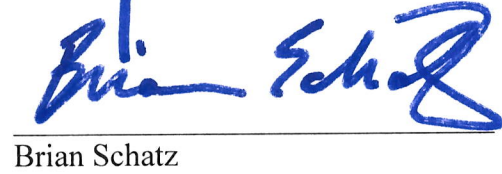

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Joe Donnelly


Chris Van Hollen


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Elizabeth Warren


Brian Schatz


Catherine Cortez Masto