



**STATEMENT BY CONGRESSMAN BARNEY FRANK ON REPUBLICAN
FILIBUSTER OF CONFIRMATION OF RICHARD CORDRAY TO HEAD THE
CONSUMER FINANCIAL PROTECTION BUREAU**

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The Republican filibuster blocking a vote on the nomination of Richard Cordray to be the Director of the Consumer Financial Protection Bureau (CFPB) is an outrageous expression of disrespect both for the interests of American consumers and for the U.S. Constitution.

Substantively, Richard Cordray is a former Attorney General who has received broad support from both Republican and Democratic Attorneys General for his demonstrated expertise in protecting consumer interests in an appropriate and responsible manner. The effect of this refusal by the Republicans even to consider the nomination on its merits means that significant powers to protect consumers from abuses by non-bank financial institutions – payday lenders, check cashers, non-bank mortgage lenders, money transmitters, debt collectors and others – will be suspended.

And it is important to note that what the Republicans have done is to block a vote, not because of any objection to Mr. Cordray, but because the Republicans do not like the legislation which established the CFPB. Using the filibuster in this way to block a confirmation vote wrenches the U.S. Constitution off its moorings.

The U.S. Constitution – to which my right-wing colleagues more often profess respect than demonstrate it in their actions – sets forward two very distinct processes. One is legislation. If both Houses of Congress pass legislation that creates changes or abolishes any entity, and it is either signed by the President or instead approved by two-thirds of both Houses, that has a binding legal effect. An entirely different process is that of confirmation, which is given by the Constitution to the Senate alone, and does not involve general legislative powers, but is restricted to a mandate that the Senate approve or disapprove a nominee for any office created by appropriate legislation.

In this instance, the Republican Senate Minority, lacking the votes to accomplish with legislation their goal of subverting the independence of the Consumer Financial Protection Bureau, have instead misused the confirmation process to achieve what they do not have the votes to do legislatively. This is an example of my Republican colleagues' willingness to abuse the Constitution even as they claim to be its defenders.

The Republicans have made clear that they oppose an independent Consumer Protection Bureau, and wish to go back to the period when consumer protection was an afterthought

on the agenda of bank regulators whose primary legal function was concern for the banks, and who, in the words of the House Financial Services Committee Republican Chairman, were there “to serve the banks.” (This is an unfair characterization of many of those regulators.)

The major Republican concern about the CFPB is that we created an agency that is independent of the bank regulators so it can focus on protecting consumers. And ironically, what the Republicans have accomplished today by blocking a vote on whether to confirm Richard Cordray is to postpone until a later day the ability of the Consumer Financial Protection Bureau to protect consumer interests -- not in the banking context, where the powers are already vested -- but against those non-bank financial institutions where abuses are more common.