

Timeline: The Republicans' Abysmal Record on the CFPB

The Consumer Financial Protection Bureau (CFPB) is our nation's first and only watchdog dedicated solely to protecting students, servicemembers, seniors and other borrowers from unfair, deceptive and abusive practices. To date, the Bureau has accomplished a tremendous amount, returning \$12 billion to 27 million consumers.

The Bureau has accomplished this work in spite of fierce opposition from Republicans in Congress, which began before the Bureau was even established and continues even six years after the passage of Dodd-Frank and five years after the CFPB opened its doors.

Key takeaways:

- Any criticism of the CFPB's level of responsiveness in the Wells Fargo case, or the speed with which they brought this enforcement action, is laughable coming from House Republicans. These same Republicans voted against the Bureau's very creation, and have introduced legislation to eliminate the CFPB in the House and Senate *in every Congress since the agency was created in 2011*.
- What's more, Republicans have consistently criticized the Bureau's enforcement efforts as being too aggressive or chastised the Bureau for too often pursuing enforcement remedies instead of supervisory ones.
- Republicans have engaged in multiple efforts to hamstring the CFPB by undermining its leadership – refusing to confirm a Director; refusing to acknowledge his legitimacy for the purpose of receiving testimony; and bogging the Director down in partisan, unreasonable document and briefing demands.
- Republicans have consistently worked to eliminate independent CFPB funding and undermine its effective single director structure and replace it with a partisan, gridlocked commission.
- Republicans have worked to undermine every major rulemaking the Bureau has undertaken – from the Qualified Mortgage rule, to curbs on financial institutions' use of mandatory arbitration clauses, to efforts to rein-in the payday lending debt trap.

An in-depth timeline of Republican attacks on the CFPB:

- **October 14, 2009:** The Consumer Financial Protection Act (H.R. 3126), establishing the pre-cursor to what became the CFPB, passed the House Financial Services Committee. Only one Republican – Rep. Mike Castle – voted for the legislation. None of the Republicans currently serving on the House Financial Services Committee voted for the bill.
 - An amendment in Nature of a Substitute offered by Republicans would have replaced the creation of a new consumer agency with a toothless mandate within the Federal Financial Institutions Examination Council (FFIEC) to make recommendations to banking regulators on needed updates to consumer laws. In place of real consumer protection, the FFIEC would've had to establish a 1-800 hotline for consumers to report abuses.
- **December 11, 2009:** The Wall Street Reform and Consumer Protection Act of 2009 passes the House, including a new Consumer Financial Protection Agency. Not a single Republican votes for it.

- Again, the Republican alternative offered on the House floor was the same as the Amendment in Nature of a Substitute offered in the Committee – replacing the new consumer agency with a telephone hotline number for consumers to call.
- **June 25, 2010:** By votes of 20 to 11 and seven to five, House of Representatives and Senate conferees separately approved the Conference Committee Report on what later became Dodd-Frank. Not a single Republican voted for the Conference Committee Report.
- **June 30, 2010:** Dodd-Frank passes the House, heading to the Senate and to the President's desk for signature. Only three Republicans vote for the bill; none of whom serve on the House Financial Services Committee and only one of whom is still in the House of Representatives (Rep. Jones (NC)).
- **January 7, 2011:** Rep. Bachmann introduces legislation to repeal Dodd-Frank, including the CFPB (H.R. 87).
- **March 21, 2011:** Sen. DeMint introduces legislation to repeal Dodd-Frank, including the CFPB (S.712).
- **May 2, 2011:** 44 of 47 Senate Republicans send a letter to President Obama, opposing any nominee to lead the Bureau. Republican brinksmanship forced an unprecedented pro forma session over Memorial Day weekend to prevent any such recess appointment.
- **June 6, 2011:** House Financial Services Committee Republicans pass legislation to alter the Bureau's structure from an effective single director Bureau to a partisan, gridlocked Commission (H.R. 1211)
- **July 21, 2011:** House Republicans vote on an overwhelmingly partisan basis to terminate the Bureau's independent funding, change its effective single director structure, and make it easier for the FSOC to veto their rules (H.R. 1315).
- **December 8, 2011:** Even after the President nominated Richard Cordray to serve as CFPB Director, with the backing of 10 Republican State Attorneys General, Senate Republicans refused to bring his nomination to the Senate floor for a vote.
- **January 4, 2012:** The President eventually filled the vacancy, appointing Director Cordray using recess appointment powers. However, the Chairman of the House Financial Services Committee refused to allow the Director to testify and falsely accused the Bureau of operating outside its mandate.
- **June 26, 2012:** House Republicans vote in the Appropriations Committee for a bill to remove the Bureau's independent funding (H.R. 6020).
- **January 3, 2013:** Rep. Bachmann introduces legislation to repeal Dodd-Frank, including the CFPB (H.R. 46).
- **February 1, 2013:** In light of a court decision regarding recess appointments of members to the National Labor Relations Board, Sen. McConnell and 43 Senators put out a press release saying they will continue to oppose the confirmation of any nominee, regardless of party affiliation, to be the director of the CFPB until Democrats and President Obama agree to changes to render the Bureau toothless.
- **February 27, 2013:** Sen. Vitter introduces legislation to repeal Dodd-Frank, including the CFPB (S.20).
- **April 14, 2013:** Sen. McConnell, addressing the American Bankers Association's annual summit, when discussing changes to the CFPB, says, "If I had my way we wouldn't have the agency at all."

- **July 16, 2013:** Extraordinary action was required in the Senate to finally give the Director a vote in which Senate Republicans who had helped filibuster his nomination ended up supporting his appointment.
- **July 23, 2013:** House Republicans vote in the Appropriations Committee for a bill to remove the Bureau's independent funding (H.R. 2786).
- **February 27, 2014:** House votes on an overwhelmingly partisan basis to terminate the Bureau's independent funding, change its effective single director structure, make it easier for the Financial Stability Oversight Council to veto their rules, eliminate banking regulator pay-scale for Bureau employees and otherwise make it difficult for the CFPB to fulfill their mandate (H.R. 3193). In its veto threat, the Administration notes that the bill "makes the Nation's economy more vulnerable to another devastating financial crisis."
- **July 16, 2014:** House Republicans vote on an appropriations bill that would've eliminated the CFPB's independent funding (H.R. 5016).
- **December 17, 2014:** upon taking over the Senate, Republicans plot "aggressive push to dismantle the Wall Street reform law," including "overhauling the Consumer Financial Protection Bureau." (see *The Hill*, 12/17/14, "Wall Street Prepares Dodd-Frank Assault").
- **January 6, 2015:** Rep. Smith (R-NE) introduces legislation to repeal Dodd-Frank, including the CFPB (H.R. 171).
- **January 7, 2015:** Sen. Vitter introduces legislation to repeal Dodd-Frank, including the CFPB (S.89).
- **March 4, 2015:** Rep. Duffy introduces legislation to defund the CFPB (H.R. 1261).
- **March 20, 2015:** Republican Sens. Perdue and Toomey introduce a budget rider to eliminate the CFPB's independent funding.
- **April 22, 2015:** Republicans take what otherwise would've been a bipartisan bill related to advisory committees at the CFPB and alter the pay-for such that the Bureau's funding would've been cut by approximately \$45 million in 2020 and approximately \$100 million in 2025 (H.R. 1195).
- **May 21, 2015:** The Senate Banking Committee marks up legislation (S. 1484) that rolls back important portions of Wall Street Reform, including important mortgage rules written by the CFPB, and takes away the authority of the CFPB to supervise firms between \$10 billion and \$50 billion in total assets. The bill passes along party lines.
- **July 21, 2015:** Sen. Cruz and Rep. Ratliffe introduce legislation to abolish the CFPB (H.R. 3118).
- **July 23, 2015:** Under Republican leadership, the Senate Appropriations Committee passes the Financial Services and General Government (FSGG) bill along party lines with changes to the CFPB structure and funding.
- **September 30, 2015:** The House Financial Services Committee votes on an overwhelmingly partisan basis to change the CFPB into a partisan, gridlocked Commission (H.R. 1266).
- **June 15, 2016:** House Republicans vote to defund the Bureau, change its effective single director structure, and otherwise laden the Bureau with controversial policy riders defunding important rules like those on mandatory arbitration and payday lending (H.R. 5485).

- **July 18, 2016:** The 2016 Republican Party platform is released, indicating that the first preference of the GOP is to abolish the CFPB entirely, but if that can't happen, their second-choice is subjecting the Bureau to the congressional appropriations process.
- **September 12, 2016:** Four days after the CFPB assesses its largest fine to date against Wells Fargo for its widespread practice of opening unauthorized accounts, Speaker Paul Ryan tweets, "The [#CFPB](#) supposedly exists to protect you, but instead it tries to micromanage your everyday life. That's NOT a [#BetterWay](#)."
- **September 13, 2016:** Republicans pass out of the House Financial Services Committee – with united Democratic opposition – H.R. 5983, the Chairman's "Wrong Choice Act." The legislation eviscerates the CFPB by:
 - Changing the Bureau's effective single-director structure into a politically gridlocked Commission;
 - Removing the Bureau's independent funding;
 - Removing the Bureau's ability to bring cases under the "abusive" standard – which was used in the Wells Fargo case, allowing the CFPB to secure \$50 million in penalties from the bank;
 - Allowing private parties to challenge the Bureau when it brings administrative proceedings;
 - Requiring the CFPB to meet with recipients of an investigative demand before bringing a case, therefore giving defendants a chance to lobby the Bureau before a case is made;
 - Modifying the mandate of the Bureau to shift their laser-focus away from consumer protection to focus on impact on the financial services industry;
 - Stripping the Bureau's exclusive rulemaking authority over consumer financial laws, as well as the judicial deference traditionally accorded to federal agencies when their rulemakings are challenged in court; and
 - Repealing the ability of the Bureau to use the Civil Penalty Fund to fund consumer education and financial literacy.
- **September 14, 2016:** Senate Majority Leader McConnell begins Rules XIV proceedings to place on the Senate calendar legislation to defund the CFPB's independent appropriations (S.3318).
- **January 2013 – Present:** Since Chairman Hensarling's appointment as Chairman of the Committee in January 2013, the Majority on the Financial Services Committee has inundated the CFPB with investigations and unreasonable document requests, second guessing nearly every initiative the Bureau has taken. This effort is designed to force the Bureau to devote staff resources to responding to endless demands that cannot be satisfied, and to divert staff focus away from their core work.
 - The Majority on the Financial Services Committee has initiated approximately two dozen "investigations" of the CFPB since January 2014, forcing the Bureau to produce more than 70,000 pages of documents for the Committee since the beginning of January 2014 in response to no fewer than 90 letters of inquiry. CFPB employees have been subjected to 17 hours of depositions, compelled by an unprecedented use of the Chairman's unilateral subpoena process. CFPB officials have also been called to testify in front of Congress 61 times since the Bureau opened its doors in 2011. To aid in its efforts to undermine the Bureau, the Majority has granted itself a fast-track process to issue subpoenas, bypassing traditional, bipartisan protocols.