February 17, 2017

Support S. 370 and H.R. 1031 to Abolish the CFPB

On behalf of our activist community, I urge you to contact your senators and representative and ask them to support legislation to abolish the Consumer Financial Protection Bureau and to co-sponsor the legislation if they have not already done so. Introduced by Sen. Ted Cruz (R-Texas) in the Senate and by Rep. John Ratcliffe (R-Texas) in the House, S. 370 and H.R. 1031 would begin the process of rolling back the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

The Consumer Financial Protection Bureau (CFPB) is one of the least accountable agencies in the federal government. While the president can appoint the director of the CFPB, without Senate confirmation, the agency receives funding not from Congress but from the Federal Reserve, without any oversight. The CFPB can spend money it collects through fines, fees, and settlements without any congressional oversight.

Unlike other federal agencies with regulatory powers, the CFPB is not under any obligation to consult with the White House Office of Management and Budget's Office of Information and Regulatory Affairs when promulgating rules.

In June 2016, the U.S. Court of Appeals for the D.C. Circuit determined that the structure of the controversial agency is unconstitutional. While the D.C. Circuit did not address the larger problems with the CFPB, it did send a message to Congress that it must take action.

The best approach to settle these constitutional concerns is to abolish the CFPB. S. 370 and H.R. 1031 would repeal the Consumer Financial Protection Act, or Title X of the Wall Street Reform and Consumer Protection Act, and shut down the CFPB.

Because of the vast power that the CFPB has and its unconstitutional structure, I urge you to contact your senators and representative and urge them to support S. 370 in the Senate and H.R. 1031 in the House.

Sincerely,

Adam Brandon
President and CEO, FreedomWorks