

Republicans Block Cordray Nomination for CFPB Director

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Yesterday, 45 Republican senators blocked a confirmation vote for former Ohio Attorney General Richard Cordray to be the first director of the Consumer Financial Protection Bureau (CFPB). Raj Date replaced Elizabeth Warren as interim director on August 1, 2011, the same week that Mr. Cordray's [nomination was announced](#). As anticipated, the Republicans were nearly united in their opposition to the nomination. "Their objections have nothing to do with Mr. Cordray's qualifications, his politics, or his character," [said Senate Banking Committee Chairman Tim Johnson](#) (D-S.D.). Rather, in a letter sent to President Obama last May, the opposing Republicans pledged to oppose any nominee unless the CFPB's powers are curtailed.

Republicans understand that the CFPB is "hamstrung" without a director because it can't exercise its full authority in supervising non-bank financial institutions, such as payday lenders, credit-reporting agencies, and debt-collectors. In an effort to capitalize on this leverage, Republicans demand structural change. They seek stricter oversight measures and the replacement of the director by a five-member board. Republicans also want funding for the agency to be made by Congress rather than through the Federal Reserve.

This is the first time in Senate history a presidential nominee has been filibustered because a party opposed the agency. President Obama told the press yesterday that he would continue to exert pressure to install Cordray, including a potential recess appointment during the holiday break: "I will not take any options off the table when it comes to getting Richard Cordray in as director of the Consumer Financial Protection Bureau."