

Search for CFPB Director Continues

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In recent blog [entries](#) we have discussed the role being played by Elizabeth Warren in standing up the Consumer Financial Protection Bureau, including efforts to identify a Director for the newly-formed Bureau. Those efforts have continued recently as Ms. Warren has been meeting with various State Attorneys General about the Bureau. Businessweek [reported](#) last week that Ms. Warren has met with attorneys general Tom Miller of Iowa, Lisa Madigan of Illinois, Roy Cooper of North Carolina and Martha Coakley of Massachusetts. While the article states that the implication is that the purpose of the meeting was to discuss the Director position with these individuals, the article also notes that the White House has stated it is not close to announcing a nominee.

Until a director is confirmed, the Bureau may be hamstrung in some of its functions, including defining its authority over non-bank financial service providers. Several recent [articles](#) discuss a [report](#) in which the inspectors general from Treasury and the Federal Reserve acknowledge that the Bureau will not be able to develop its authority over non-bank financial service providers if no Director is in place. Treasury has set July 21, 2011 as the date on which consumer financial protection authorities would be transferred to the Bureau, but if no director is in place, Treasury may seek to extend that date. Under the law it could extend the transfer date for up to six months.

While without a director the specifics of the CFPB agenda remain unclear, as pointed out in a National Law Journal [article](#) today, important legal positions have been filled. With regard to the hiring of former Ohio Attorney General Richard Cordray as the head of the CFPB enforcement division, Kelley Drye partner Christie Grymes noted to NLJ that Mr. Cordray's comments and efforts to date indicate that targeting big banks, particularly with regard to mortgage issues, will be one of his priorities. Further, Mr. Cordray also will have the opportunity to influence state enforcement activity through his interactions with his now former state attorneys general colleagues.

In addition to the uncertainties at the director position, the House Financial Services Committee is [reportedly](#) preparing an agenda related to Dodd-Frank implementation that is likely to outline an aggressive oversight plan and attempts to undue or de-fund some of the provisions of the bill. Although the CFPB is somewhat protected from de-funding since its budget derives from that of the independent Federal Reserve budget, expect aggressive oversight of the development of the Bureau, and eventually of any rulemakings in which the Bureau engages. Stay tuned for additional information about the Congressional agenda for Dodd-Frank.