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Main Street Wins with Obama Appointment of Cordray to Lead Consumer Agency

(WASHINGTON, DC) Today, consumer advocates applauded President Barack Obama's appointment of Richard Cordray, former Attorney General of Ohio and the Consumer Financial Protection Bureau's (CFPB) enforcement chief, to be the agency's first director. "American consumers could not wait any longer while Senate Republicans and industry lobbyists played games with the nomination process," said Lauren Saunders, managing attorney at the National Consumer Law Center (NCLC). "With a director finally in place and no question about its powers, the Consumer Financial Protection Bureau can now start scrutinizing unfair practices by debt collectors, mortgage brokers, credit reporting agencies, and predatory payday lenders."

Last year, the Treasury Inspector General asserted that the consumer agency, which was created as part of the 2010 Dodd-Frank financial reform bill, would not have full power over abusive practices by nonbanks like debt collectors until a director was in place. With Cordray's appointment, the consumer watchdog's powers are no longer restricted.

The CFPB began work on July 21, 2011, but 44 senators were adamant that they would not approve *anyone* as director unless Congress enacted several changes that would have considerably weakened the agency. In December, Senate Republicans filibustered to prevent a vote on Cordray's nomination.

"As Ohio's Attorney General, Rich Cordray was one of the first to attack mortgage lending abuses. He has a long record protecting consumers, and we are confident that he will be an excellent director for the Consumer Bureau," Saunders said.

NCLC has encouraged the Consumer Financial Protection Bureau to reform practices by both banks and nonbanks such as debt collectors, payday lenders, and credit reporting. NCLC's suggested priorities in those and other areas are at:

http://www.nclc.org/images/pdf/regulatory_reform/pr-cfpb-agenda.pdf

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The National Consumer Law Center® (NCLC®) is a non-profit organization specializing in consumer issues on behalf of low-income and other vulnerable people. Since 1969, NCLC has worked with legal services and nonprofit organizations as well as government and private attorneys across the United States, to create sound public policy for low-income and elderly individuals on consumer issues.