

DARRELL E. ISSA, CALIFORNIA  
CHAIRMAN

ONE HUNDRED TWELFTH CONGRESS

ELIJAH E. CUMMINGS, MARYLAND  
RANKING MINORITY MEMBER

DAN BURTON, INDIANA  
JOHN L. MICA, FLORIDA  
TODD RUSSELL PLATTS, PENNSYLVANIA  
MICHAEL R. TURNER, OHIO  
PATRICK McHENRY, NORTH CAROLINA  
JIM JORDAN, OHIO  
JASON CHAFFETZ, UTAH  
CONNIE MACK, FLORIDA  
TIM WALBERG, MICHIGAN  
JAMES LANKFORD, OKLAHOMA  
JUSTIN AMASH, MICHIGAN  
ANN MARIE BUERKLE, NEW YORK  
PAUL A. GOSAR, D.D.S., ARIZONA  
RAUL R. LABRADOR, IDAHO  
PATRICK MEEHAN, PENNSYLVANIA  
SCOTT DesJARLAIS, M.D., TENNESSEE  
JOE WALSH, ILLINOIS  
TREY GOWDY, SOUTH CAROLINA  
DENNIS A. ROSS, FLORIDA  
FRANK C. GUINTA, NEW HAMPSHIRE  
BLAKE FARENTHOLD, TEXAS  
MIKE KELLY, PENNSYLVANIA

# Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074

FACSIMILE (202) 225-3974

MINORITY (202) 225-5051

<http://oversight.house.gov>

EDOLPHUS TOWNS, NEW YORK  
CAROLYN B. MALONEY, NEW YORK  
ELEANOR HOLMES NORTON,  
DISTRICT OF COLUMBIA  
DENNIS J. KUCINICH, OHIO  
JOHN F. TIERNEY, MASSACHUSETTS  
WM. LACY CLAY, MISSOURI  
STEPHEN F. LYNCH, MASSACHUSETTS  
JIM COOPER, TENNESSEE  
GERALD E. CONNOLLY, VIRGINIA  
MIKE QUIGLEY, ILLINOIS  
DANNY K. DAVIS, ILLINOIS  
BRUCE L. BRALEY, IOWA  
PETER WELCH, VERMONT  
JOHN A. YARMUTH, KENTUCKY  
CHRISTOPHER S. MURPHY, CONNECTICUT  
JACKIE SPEIER, CALIFORNIA

LAWRENCE J. BRADY  
STAFF DIRECTOR

### Opening Statement

#### Rep. Elijah E. Cummings, Ranking Member

#### Committee on Oversight and Government Reform

### Subcommittee on TARP, Financial Services and Bailouts of Public and Private Programs

#### Hearing on "How Will the CFPB Function Under Richard Cordray?"

January 24, 2012

Let me extend a warm welcome to Richard Cordray, the new Director of the Consumer Financial Protection Bureau, and thank him for appearing before us today.

Many of us are very encouraged that the President appointed you—finally—and we look forward to hearing about the actions you are taking to fulfill the critical mission Congress gave you to protect American consumers and ensure that the financial products they use every day are transparent, understandable, and fair.

Unfortunately, there are many who do not agree with your mission, and they are bent on doing everything they can to block your efforts. They would rather put the interests of financial entities ahead of the interests of American families and consumers who need your help.

Republicans in the Senate, for example, opposed not only your nomination, but anyone's nomination to fill your post. They openly admitted that you are thoroughly qualified for this position, but they opposed the entire idea of an agency devoted to finally holding abusive financial entities accountable.

Unfortunately, this Committee has been part of the problem. Today is the third time in eight months that CFPB officials have been called before our Committee.

Our Committee has targeted the CFPB—unfairly in my view—as part of a broader campaign to prevent it from becoming fully operational. This began with an attack on Professor Elizabeth Warren, whose character was unfairly maligned as irresponsible accusations were thrown at her. Then came wide-ranging document requests as part of an unfounded investigation into the Bureau's entirely appropriate efforts to provide advice during settlement negotiations with mortgage servicing companies.

While the Committee has been attacking this newly created agency—which was designed to protect American consumers—the Committee has been protecting banks and mortgage servicing companies from any kind of real investigation.

I would like to enter into the record a letter I sent to Chairman Issa yesterday renewing my repeated calls for hearings with the CEOs of mortgage servicing companies that have engaged in widespread foreclosure abuses.

As I noted in my letter, last year the Committee held 118 hearings with 342 witnesses, but not a single bank executive was called to testify on the foreclosure crisis. Why have we brought CFPB here three times, but given the banks a free pass?

I also noted in my letter that the Committee issued more than 200 detailed document requests and subpoenas last year, but none sought documents from the banks relating to wrongful foreclosures or abusive lending practices. The only exception was a joint document request we sent to Bank of America, which has not produced a single responsive document.

Let me make something very clear: the Committee agreed unanimously to investigate the actions of banks that engaged in foreclosure abuses. We did this at the beginning of last year when we voted on our Committee's oversight plan. That plan says that we will investigate "wrongful foreclosures and other abuses by mortgage servicing companies."

But we are not conducting any sort of comprehensive investigation. Nearly a full year after committing to investigate these widespread foreclosure abuses, the Committee has not held one hearing with bank CEOs and has not received one document from mortgage servicing companies. Instead, we are spending our time attacking the agency that is supposed to be protecting American consumers.

In my opinion, the Committee's priorities are backwards, and I sincerely hope that over the course of this year, we can work on a bipartisan basis to begin to correct the Committee's approach.

---

Contact: Ashley Etienne, Communications Director, (202) 226-5181.