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## Obama To Nominate Cordray As CFPB Director

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Today, President Obama will nominate former Ohio Attorney General Richard Cordray to lead the Consumer Financial Protection Bureau (CFPB), the White House announced Sunday. The agency is scheduled to formally begin operations Thursday.

Cordray was among the first individuals brought on board to the CFPB when Elizabeth Warren, the special adviser to the president charged with standing up the organization, tapped him for the agency's enforcement division.

During his stint as Ohio's attorney general, Cordray aggressively pursued the mortgage servicing industry, suing the likes of GMAC/Ally, Carrington Mortgage Services, HomEq Servicing and American Home Mortgage Servicing Inc.

"Richard Cordray has spent his career advocating for middle-class families, from his tenure as Ohio's attorney general to his most recent role as heading up the enforcement division at the CFPB and looking out for ordinary people in our financial system," Obama said in a statement Sunday, according to The Hill.

Also in his statement, Obama thanked Warren for her efforts in establishing the CFPB. Though widely endorsed by consumer protection groups as a nominee for director of the CFPB, Warren would have faced opposition in terms of gaining confirmation.

Recent congressional hearings on the CFPB have been marked by heated exchanges between Warren and Republican lawmakers, who argue that the single-director-led bureau is too powerful and too unaccountable. Long before the high-profile hearings, one of the architects of the legislation that established the CFPB, then-Sen. Chris Dodd, pegged Warren as unlikely to achieve the votes necessary to be confirmed.

In May, 44 Republican Senators vowed to block any nomination by Obama unless structural changes were made to the CFPB. Among the changes sought by Republicans are to turn the CFPB into a commission-led agency rather than a director-led entity. In a statement Sunday, Sen. Richard Shelby, R-Ala., said Obama has ignored Republicans' concerns about the lack of accountability at the bureau.

"Until President Obama addresses our concerns by supporting a few reasonable structural changes, we will not confirm anyone to lead it," Shelby said. "No accountability, no confirmation."

In the early aftermath of the White House's announcement, opinions were mixed in response to Obama's nomination of Cordray. Mark A. Calabria, the Cato Institute's director of financial regulation, wrote in a blog post Monday that Cordray, via his lawsuits against servicers, "did his best to bring the Ohio foreclosure process to a near standstill."

"So it should be no surprise that, as CFPB director, he will make sure that no borrower ever has to repay any obligation ever again," Calabria wrote, adding parenthetically, "OK, a little exaggeration there."

In a statement Monday, the Consumer Federation of America said Cordray's track record suggests that he is well-qualified to be the CFPB's first director.

"As Ohio attorney general, he was a national leader in seeking to assist consumers who had been harmed by abusive mortgage and predatory lending practices," the organization said. "He is presently the director of enforcement for the CFPB, so he is well-positioned to get the agency off to an effective start."

Ahead of Obama's formal nomination of Cordray, which is scheduled to happen at 1:05 p.m. EDT, Warren took to the blogosphere Monday. In an entry posted on WhiteHouse.gov, Warren wrote that Cordray would be a "stellar director." She also addressed the CFPB's critics in Congress.

"I remain hopeful that those who want to cripple this consumer bureau will think again and remember that the financial crisis - and the recession and job losses that it sparked - began one lousy mortgage at a time," Warren wrote.

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