



Mulvaney vows not to ‘decimate’ CFPB as acting director

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Office of Management and Budget (OMB) director Mick Mulvaney said on Monday that he would not “decimate” the Consumer Financial Protection Bureau (CFPB) during his tenure as acting director, despite his history as a harsh critic of the watchdog agency.

When asked by reporters whether he would effectively destroy the CFPB, Mulvaney replied, “no, we are going to follow the law.”

Mulvaney is currently at the center of a battle for the acting director position, after CFPB deputy director Leandra English filed a lawsuit on Sunday night to bar him from assuming the role. As stipulated under Dodd-Frank, English would be next in line to serve as interim head of the agency until a permanent director is nominated and approved. However, on Friday, President Donald Trump appointed Mulvaney to the slot, citing the ability to do so under the Federal Vacancies Act of 1988.

In a letter to employees on Monday, Mulvaney instructed CFPB staff to “disregard any instructions you receive from Ms. English in her presumed capacity as Acting Director.” Afterward, he told reporters, “we want to make it clear to the folks who are working here that we didn’t consider her to be the acting director.”

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Still, Senators Chuck Schumer (D-N.Y.) and Elizabeth Warren (D-Mass.) have scheduled a meeting Monday afternoon with English.

Despite the lawsuit and confusion, Mulvaney said he had a “really smooth morning.” Mulvaney previously called the CFPB a “sick, sad” joke, but he joins a host of Republicans who would like to see the bureau’s power tempered. U.S. Treasury Secretary Steven Mnuchin **told**

FOX Business in June that it's "improper" for the CFPB to be funded out of the Fed rather than Congress and to have a director who cannot be fired at will by the president.

"This agency should be subject to proper review and not subject to one person acting on their own," he said.

Regardless of whether Mulvaney maintains power over the near-term in the bureau, Trump is likely to nominate a Republican that will pare down some of the CFPB's independent authority. "[Over] the long-term it shouldn't make a difference since the position will ultimately be filled by a Trump nominee," Thaya Knight, associate director of financial regulation studies at the Cato Institute, told FOX Business. "That nominee, if the names current circulating are any indication, will likely favor a different approach to policy than that pursued by [former CFPB director] Richard Cordray since many of them have been critical of the agency."

Knight noted that those who have condemned the CFPB over the power wielded by the director, should consider whether the problem is actually the structure of the agency and not the individual in charge.