EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

July 20, 2011
(House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 1315 – Consumer Financial Protection Safety and Soundness Improvement Act of 2011
(Rep. Duffy, R-WI, and 4 cosponsors)

The Administration strongly opposes House passage of the Rules Committee Print of H.R. 1315 because it would amend the Dodd-Frank Wall Street Reform and Consumer Protection Act in a manner that would expose American consumers and the Nation's economy to the same risks that led to the 2008 financial crisis.

H.R. 1315 would needlessly delay the transfer of Federal consumer financial protection responsibilities from seven other agencies to the Consumer Financial Protection Bureau (CFPB) established by the Dodd-Frank Act, thus continuing to foster a fragmented approach to consumer financial protection. In addition, the bill would seriously weaken the Bureau's decision-making power by making the head of the CFPB a five-person commission rather than a single Director, significantly limiting the Bureau's ability to effectively respond to the rapid changes in the dynamic consumer financial products and services market. Finally, H.R. 1315 would compromise the independence of the CFPB by imposing unwarranted restrictions on a Bureau that is already subject to significant oversight. The CFPB is the only banking regulator whose rules can be set aside by a council made up of other Federal agencies. H.R. 1315 would go beyond this already stringent limitation by making it easier for the Financial Stability Oversight Council to set aside CFPB rules and regulations, which would significantly impede the Bureau's ability to protect American consumers from unfair, deceptive, and abusive practices.

H.R. 1315 would significantly interfere with the CFPB's charge to make consumer financial markets operate more efficiently and effectively, facilitate innovation in the marketplace, protect consumers' interests, and ensure that consumers have the information they need to make prudent financial decisions. The President's senior advisors would recommend that the President veto any bill, including H.R. 1315, that makes the Nation's economy more vulnerable to another devastating financial crisis by undermining the core reforms included in the Dodd-Frank Act.

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