



08/05/2011

In recent meetings and conversations with the Bureau of Consumer Protection (CFPB) and the office of Senator Sherrod Brown, CBAO reiterated that we are pleased that Richard Cordray, an Ohioan, has been nominated to serve as director of the CFPB. Nominee Cordray has had a long standing and strong working relationship with CBAO and Ohio's community banks. We believe him to be capable of handling the position of director of the CFPB if approved by the Senate.

However, it is normally not the policy of CBAO to endorse any candidate for office, whether elected or appointed, unless they are a proven incumbent. CBAO emphasized the community banking industry's position that a commission should have oversight over the activities of the CFPB as opposed to concentrated power under a singular director position as now structured, that funding should be sufficient to provide strong oversight of the estimated 80,000 under regulated/ non-regulated financial service providers, and the need for simplification of financial service product disclosures.

Until a director of the CFPB is approved by the Senate, the ability of the bureau to regulate, examine, and enforce the "shadow" banking industry does not exist.