

RICHARD CORDRAY NOMINATION

Mr. WHITEHOUSE. Mr. President I come to the floor to speak in support of President Obama's nomination of Richard Cordray, from Ohio, to be the Director of the Consumer Financial Protection Bureau. He is a former attorney general, former solicitor general, and former State treasurer of Ohio.

He is unquestionably well qualified to take on the position for which he has been nominated. Unfortunately, we are stuck in a Republican filibuster of Mr. Cordray's nomination. Sometimes there is a hidden ulterior motive around here. In this case, there is a stated ulterior motive: to weaken the new agency's power to protect consumers.

Republican obstruction of Mr. Cordray's nomination has nothing to do with Mr. Cordray himself. Former Republican Senator and current Ohio attorney general Mike DeWine has called Mr. Cordray very well qualified for this job. Just last month, eight Republican attorneys general colleagues of his joined 29 Democratic attorneys general in writing to Leaders REID and MCCONNELL with their support for Mr. Cordray's nomination.

Mr. Cordray has been endorsed by groups as varied as the AFL-CIO, the Credit Union National Association, the National Fraternal Order of Police, and the AARP. But notwithstanding widespread bipartisan support on Main Street, Senate Republicans are seeking to prevent Mr. Cordray from taking office as a service to Wall Street.

As one Republican member of the Senate Banking Committee said: "My colleagues and I stand by our pledge that no nominee to head the CFPB will be confirmed by the U.S. Senate regardless of party affiliation without basic changes to the Bureau's structure."

What are these basic changes? The basic changes the Republicans have demanded include: making the agency subject to the budgetary influences of Congress, which given the way Congress is behaving is a way of allowing the influences of Wall Street to come through and control it, and also replacing the Director's position with a board that would ensure that Wall Street is represented.

These are not constructive changes. These are an attempt to weaken a regulator designed to protect consumers. I hope my Republican colleagues will reevaluate their filibuster of Mr. Cordray's nomination. But in the event they do not, let's take a moment to review the consequences for the American people.

As many of our constituents know, in Rhode Island and in Minnesota, we established the CFPB in the Wall Street Reform and Consumer Protection Act as a new agency to protect American consumers from misleading and potentially ruinous financial products. After the subprime mortgage catastrophe, the logic behind that is pretty clear. We designed this new agency to be for

mortgages, credit cards, student loans, debt collection, credit reporting—what the Consumer Product Safety Commission is for toaster ovens, toys, baby strollers, batteries, and swimming pools.

Harvard law professor Elizabeth Warren first proposed such an agency, and I was very proud to cosponsor Senator DURBIN's original Financial Product Safety Act of 2009, which was the first bill to bring Professor Warren's idea to the Senate.

We designed the CFPB to investigate consumer financial products and gave it the power to make rules ensuring that financial products are transparent and fair, including, for the first time, providing Federal oversight of previously unregulated loans and financial services from nonbank financial institutions. Those institutions are often the ones that get regular Americans in deep and unexpected trouble because of tricks and traps in those contracts.

When you look at the length and the amount of fine print in consumer contracts and when you look at the extent to which different traps and tricks get hidden in all that fine print in order to catch consumers in things they weren't aware of and would not accept if they had been aware of them, the reason for this oversight is obvious to most Americans. Indeed, it is my contention that Americans in today's society are the most bedeviled group of humans in history by fine print. Everywhere you go, you find fine print filled with tricks and traps that fool you, that kick up your interest rate or give away rights that you have. So what we want is a little bit of a fair shot and a straight deal for the American consumer.

Under the temporary direction of the Treasury Secretary, the Consumer Financial Protection Bureau is actually already up and running. It is now regulating the largest banks in the country—those with over \$10 billion in assets—as well as credit unions. Unfortunately, its authority to protect consumers from these other financial products will be unclear until there is a Director, which may be another motive for blocking a Director.

The Consumer Financial Protection Bureau is already out there looking out for American consumers to make sure big banks and credit unions are playing by fair rules, but it has not yet been able to regulate the nonbank companies, such as mortgage services, the private student loan lenders, debt collectors, payday lenders, and credit reporting agencies. While the Senate Republicans filibuster this nominee—a very qualified nominee, an indisputably qualified nominee—some of the worst financial actors in the country remain unaccountable for their deceptive and harmful practices. Predatory lenders near military bases continue to charge our servicemembers effective interest rates of up to 800 percent. Private student lenders continue to withhold clear information about repayment terms from young students tak-

ing out these loans. Debt collectors continue to bully and harass those who are on the edge of bankruptcy. So-called payday lenders continue to dupe senior citizens into taking out loans bearing triple-digit interest rates.

This is the status quo Senate Republicans are preserving by blocking Mr. Cordray's nomination. Consumer protection against these kinds of practices should not be a partisan issue. I really hope our colleagues across the aisle at least allow us to have an up-or-down vote on this nomination. The majority rules, so let's vote and let's go.

Every day that Republicans continue their obstruction, Americans from all walks of life—from students, to senior citizens, to our men and women in uniform—will continue to be subjected to unchecked and unregulated deceptive financial products. They will continue to be prey for predatory loan instruments.

Abusive lending practices that strip wealth from communities and purchasing power from consumers continue to hold back our struggling economy. Let's confirm Mr. Cordray so that he can begin the hard work of leveling the playing field for the American consumer and help ordinary Americans get a straight deal in our increasingly complex economy. I hope we will be able to do that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. BLUMENTHAL. Mr. President, I am honored to join and associate myself with the remarks made by my colleague from Rhode Island, who has expressed forcefully and eloquently the reasons that I believe Richard Cordray should be confirmed in his nomination as Director of the Consumer Financial Protection Bureau.

This country faces a continuing financial crisis. We see it on the job lines, in the streets, and in our communities. That crisis can be traced to the same abuses that this new agency was created by the Congress to fight.

The laws are good laws. They are designed to protect consumers from those abuses and problems that led to this financial crisis. But the laws are dead letter, or meaningless, unless they are enforced vigorously and rigorously, unless consumers are protected not just in word but in deed. That is the reason we should confirm Richard Cordray as the Director of the CFPB.

The people in this agency are doing good work. They have the authority now to supervise some of the biggest banks, credit unions, and other financial institutions, but they need a Director to oversee the work of nonbank financial institutions, such as independent payday lenders, nonbank mortgage lenders, nonbank mortgage servicers, debt collectors, credit reporting agencies, and private student lenders.

Lest anyone think these are abstract or potential problems, they have only to look to their neighbors and friends

who are struggling to stay in their homes, seeking to pay their debts, and facing every day the continuing abuses in these areas. The bad actors may be among a minority of actors in this area, but they cannot be counted unless Richard Cordray is confirmed. I know from my experience that consumer protection laws are meaningless to ordinary Americans, as they are to citizens of Connecticut, unless there is vigorous enforcement of these laws.

Richard Cordray will bring to this job a unique set of qualifications. He has been involved at the local and State levels in working closely with community banks and credit unions, as well as other financial institutions, as a State and county treasurer. He understands the important role they play in small towns and communities. He knows how to work with institutions and the businesspeople who run them. He is realistic and sensible. He has common sense. He has had a positive experience—hands on—working at the local and State level.

I have worked with him personally as an attorney general, worked collaboratively with him—indeed, helping to start the investigation of the mortgage service abuses that have led to a nationwide inquiry and, hopefully, will lead to a nationwide solution. I know him to be a practical and sensible person who knows how to listen. Richard Cordray knows how to listen to people who are affected by the rulings he may make, the policies he may implement, and the people whom he may hire. Indeed, his nomination was praised by a former U.S. Senator and current attorney general, Mike DeWine, a Republican who defeated him in 2010.

Republicans in this body have made this issue a partisan one. It should not be. There is nothing partisan about debt collectors or mortgage services or others who may abuse the trust of consumers. There is nothing partisan about people who become victims of the abusive practices that continue, which we need the CFPB to counter. There is nothing partisan—or should be nothing partisan about this individual, Rich Cordray, who has dedicated his life to protecting ordinary men and women against the financial abuses the CFPB is designed to fight.

Blocking his nomination is, very simply, a way to stop the CFPB from ending abuse. It may be articulated in a variety of ways, using words such as “accountability,” “rulemaking,” “structure,” or “authority” as terms that are at issue. But the fact is that his nomination cries out for confirmation simply to implement the important laws that this body has passed, laws that remain dead letter as long as they are not enforced.

The men and women who are working in this agency now, under the leadership of Raj Date, are doing the best they can. They are making a difference. They are protecting, for example, our veterans. Holly Petraeus, who is head of the division in the agency de-

signed to protect our veterans, is doing great work in that area. She deserves our support; she needs and merits our support. She and others in that agency need and deserve the support of this Congress and this body in confirming Rich Cordray.

I have worked with Rich Cordray. I know him as a man, as a public official, as a nominee. We will be losing a uniquely qualified person for this job if we fail to do the right thing and protect consumers from the continuing abuses of this industry.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CASEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. UDALL of New Mexico). Without objection, it is so ordered.

PAYROLL TAX CUT

Mr. CASEY. Mr. President, I rise to speak about the issue of the payroll tax and the tax cuts we are trying to enact, very similar to what we did last year when Democrats and Republicans came together at the end of the year, right before the holiday season, and said, we have to take action now to make sure we are doing everything possible to jump-start the economy.

One of the elements of that agreement last year—and, again, it was bipartisan—was a cut in the payroll tax. Just so people understand my point about this tax—and I will deal only with the employee side—we know that employees in the United States, when they make their payroll tax payment, it is 6.2 percent of their earnings. Last year we cut that from 6.2 to 4.2. It was the right thing to do and it had a positive impact. What I am trying to do now—and, again, I think this is bipartisan—is to not just do that again, but we want to cut it even more so that we can reduce it in half, so instead of paying 6.2, an individual would pay 3.1.

This is a very basic idea, and what we are trying to do are two basic things. No. 1 is to give folks out there more take-home pay—kind of dollars in the pocket. Last year, it was roughly \$1,000 per worker. The impact on a family—the positive impact of that—is very significant. This year, we hope it will be greater. We hope we can enact something where the take-home pay savings are increased, depending on how one argues it, almost \$1,500. Instead of being \$900 or \$1,000, for some folks it can be \$1,500 or \$1,400 or somewhere in that range.

The second point on this is peace of mind. We ought to take action here in a bipartisan way—and every once in a while we get this right—that will say to people, we are trying to do our best to understand what you are up against. We are trying to take actions here that

will lead to economic growth and job creation.

One of the actions we can take is making sure we reduce the payroll tax so folks out there have more money in their pocket—more take-home pay—as they head not just into the holiday season but as they head into the new year in 2012. So it is about take-home pay and peace of mind.

We have made some progress in the last couple of months, when we consider where we have been and in trying to dig our way out of this great recession. Unfortunately, the progress we have made is far too modest, and the economic recovery right now is still very vulnerable, very fragile—pick your word, there are lots of ways to describe it. We need this tax cut to boost consumer spending.

A lot of the business folks I talk to in Pennsylvania, when I ask them if they want to hire, or if they want to increase their payroll, say, I want to, but I can't. I say, why can't you? They say, there is not enough demand out there. So one of the best ways—maybe the best way—to create demand in our economy is to have folks have more take-home pay.

As you can see from this chart on my left, when we look at the quarters, starting right here, we see minus 6.7 percent. That is the first quarter of 2009. Eventually, we have gotten to the point where we have started to have some growth. We have had nine straight quarters of GDP growth. But that is not enough—not nearly enough. It is movement in the right direction, but it has been barely positive, as you can see, even if you look at just the last year. This .04 is the first quarter of 2011. So even though we had almost 4 percent of good growth back in a couple of quarters in 2009 and into 2010, in the last three-quarters of 2011, we had .4 percent growth, 1.3 percent growth, and 2.0 percent growth.

What we have to do now is make sure the fourth quarter is stronger, as best we can, and we need to make sure, by the actions we take here, that 2012 is much better. We need to ensure we have stronger growth, and putting \$1,500 of additional earnings into the pockets of 160 million workers, as I said before, will help substantially. I think that number should be repeated. When we talk about cutting the payroll tax in half and putting more take-home pay in people's pockets, we are talking about affecting 160 million workers in the United States.

Economists across the board have told us why this is so important. They have reported the payroll tax cut will create jobs and increase GDP—increase those numbers I referred to on the chart—and that failing to extend the tax cut will slow growth and lead to fewer jobs. Mark Zandi, of Moody's Analytics—one of the economists both parties have quoted over many years—estimates that not extending the current payroll tax cut—meaning allowing the payroll tax to go back up to the 6.2