March 11, 2013

The Honorable Tim Johnson   The Honorable Mike Crapo
Chairman   Ranking Member
Committee on Banking, Housing   Committee on Banking, Housing
   and Urban Affairs   and Urban Affairs
United States Senate   United States Senate
Washington, D.C. 20510   Washington, D.C. 20510

via fax and electronic mail

RE: NAACP STRONG SUPPORT FOR RICH CORDRAY'S SWIFT CONFIRMATION TO BE THE DIRECTOR OF THE CONSUMER FINANCIAL PROTECTION BUREAU

Dear Chairman Johnson and Ranking Member Crapo;

On behalf of the NAACP, our nation's oldest, largest and most widely-recognized grassroots-based civil rights organization, I strongly urge you to support the swift confirmation of Rich Cordray to serve a full five year term as the Director of the Consumer Financial Protection Bureau (CFPB). Throughout the past year, during his tenure as Director of the CFPB under his recess appointment, Mr. Cordray has proven himself to be a strong, capable, and much-needed advocate for consumers, and especially for racial and ethnic minority Americans.

Given the disparate rate at which racial and ethnic minorities, especially African Americans, have suffered from our nation's economic downturn since 2007, the CFPB has offered much needed significant monitoring, relief, and solace to the people and communities served by the NAACP.   Due to decades of reckless, unscrupulous predatory mortgage lending which often specifically targeted African Americans and other racial and ethnic minorities, communities of color have been especially hard hit by the housing foreclosure crisis. A quarter of African-American and Latinos homeowners have either lost their homes to foreclosure, are in some stage of foreclosure or are seriously delinquent on their home loans.

Many of the regulations issued by the CFPB under Director Cordray will ensure that this targeted mortgage predatory lending does not continue. Furthermore, the CFPB, again under Director Cordray, has also been instrumental in promoting balanced educational tools and regulations which will help consumers, again a disproportionate number of whom are racial or ethnic minorities, avoid falling into a debt trap from which there is little hope for escape. Under Mr. Cordray's guidance, the CFPB has begun to write rules to implement federal consumer protection laws, as well as shed light on the practices of credit reporting agencies, student

lenders, payday lenders, and debt collectors, all of which will better help all Americans as they navigate the often tricky, and at times treacherous, world of financial transactions.

As you know, the NAACP has been and continues to be a strong supporter of a robust and effective CFPB. For too long, African Americans and other racial and ethnic minorities have been underserved by the financial services industry, and in too many cases they have been targeted by unscrupulous financial servicers. The result is a continuing wealth gap in this country that is too often defined by race and too often leading to the economic devastation of American families. African Americans, as well as all American consumers, need not only accurate information, but we need to know that we have a champion looking out for, and working to protect, our interests. Under Rich Cordray's direction, the CFPB has begun to meet this crucial challenge.

Thank you in advance for your attention to the NAACP position. I look forward to working with you to ensure Mr. Cordray's swift confirmation as well as many other issues pertaining to the CFPB which we may face in the upcoming months and years. Should you have any questions or comments, please do not hesitate to contact me at my office at (202) 463-2940.

Sincerely,

Hilary O. Shelton
Director, NAACP Washington Bureau &
    Senior Vice President for Advocacy and Policy

cc: Members, Senate Committee on Banking,
        Housing & Urban Affairs