

Sen. Murray

Your senior leadership at Consumer Financial Protection Bureau (CFPB) has told the public that all decisions related to pending enforcement actions will be made by career staff in the CFPB's enforcement division. I appreciated hearing that news. However, in light of your recent decision to freeze the investigation into Equifax, there is a growing concern about the direction of the CFPB's current work related to student loans. Navient, one of the nation's largest student loan companies, has been alleged to have harmed millions of student loan borrowers, including thousands of disabled veterans. Can you commit to vigorously pursuing and continuing the CFPB's existing litigation with the student loan industry, including Navient?

As a point of clarification, all decisions related to pending enforcement actions are made by or in consultation with career staff in the Bureau of Consumer Financial Protection (Bureau) Office of Enforcement.

There has been no change in the position from previous leadership of the Bureau regarding Equifax. Additionally, I intend to vigorously enforce Federal consumer financial law and am reviewing all of the Bureau's enforcement matters to ensure that the ongoing work adheres to the proper interpretation of Federal consumer financial law. The Bureau does not normally comment on ongoing enforcement matters.

Sen. Murray

In a recent response to a letter I co-signed to you regarding the CFPB's historical work on college debit card and bank account agreements, you stated with respect to *the Credit Card Accountability, Responsibility, and Disclosure Act* that "the statute does not refer to debit card or bank account agreements." However, the CFPB is governed by several other applicable statutes that make it clear that the agency's role is to protect consumers who may be abused by financial products or services. Additionally, your proposed FY 2018-2022 five-year strategic plan states that the CFPB will "address needs for inclusion and financial security of servicemembers, older Americans, traditionally underserved consumers and communities, and *students*." Do you believe the CFPB has responsibility to protect and inform students about college debt and bank account agreements that pose a risk to them as consumers?

I am committed to fulfilling the Bureau's statutory responsibilities. If Congress would like to expand these responsibilities, it is free to do so.

Sen. Murray

For decades, banking regulators, including the Office of the Comptroller of the Currency, Securities and Exchange Commission, the Federal Deposit Insurance Corporation, the U.S. Department of Justice, and various state agencies have taken action to oversee federal student loans as part of the their reporting requirements, regulation, and oversight responsibilities. Similarly, will you commit that under your watch, the CFPB will continue to administer the law in overseeing federal student loans?

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The CFPB is an independent agency tasked by Congress with the duty to administer federal consumer financial laws. This includes supervision of the largest student loan servicers and debt collectors, and enforcement of these laws as they apply to the entire student loan market. As you know, the Department of Education relies on Navient and other very large private-sector loan companies as its primary loan servicing and debt collection contractors and spends hundreds of millions of taxpayer dollars to this end.

- What steps are you taking to ensure that CFPB can independently and responsibly administer the federal consumer financial laws with respect to the entire student loan servicing market?**
- Specifically, in what ways, if any, does CFPB's approach to oversight of the Education Department's loan servicing contractors differ from its oversight of companies that are not federal contractors?**
- Specifically, what procedures have you put in place to ensure that your duty as OMB Director to protect taxpayers' investment in federal loan servicing contractors does not compromise your obligation as CFPB Acting Director to fairly and independently administer federal consumer financial laws with respect to these companies?**
- What steps are you taking to ensure that CFPB can independently and responsibly administer the federal consumer financial laws with respect to the entire debt collection market?**
- Specifically, in what ways, if any, does CFPB's approach to oversight of the Education Department's debt collection contractors differ from its oversight of companies that are not federal contractors?**
- Specifically, what procedures have you put in place to ensure that your duty as OMB Director to protect taxpayers' investment in federal debt collection contractors does not compromise your obligation as CFPB Acting Director to fairly and independently administer federal consumer financial laws with respect to these companies?**

I am committed to fulfilling the Bureau's statutory responsibilities. As the new leader of the Bureau, it is my duty and responsibility to examine all of the Bureau's actions to ensure that they align with the Bureau's statutory mandate and advance its goals to facilitate consumer choice. This effort extends to all aspects of the Bureau's work.

Sen. Murray

In 2017, the U.S. Department of Education revoked two memoranda of understanding between the Department and the CFPB. These information-sharing agreements covered the sharing of confidential information related to the Bureau's oversight of certain Education Department contractors.

- Under your leadership, has CFPB shared confidential findings from examinations or investigations with the U.S. Department of Education?**
- If so, what steps are you taking to ensure that the sharing of information is consistent with your obligations under applicable federal information security and privacy laws?**

The Bureau's memorandum of understanding with the Department of Education (Department) covering the sharing of confidential information relating to the Bureau's supervision of federal student loan servicers was terminated on September 30, 2017. Since that time, the Bureau has shared certain confidential information with the Department pursuant to existing regulations and in conformity with applicable law.