

As part of the debate over priorities while setting budget levels for the fiscal year, U.S Rep. Rush Holt is leading efforts to protect the funding and independence of the new Consumer Financial Protection Bureau, which Congress created in 2010 to safeguard the nation's consumers and protect the health of the entire financial system. Below is a copy of a letter Holt sent to his colleagues urging opposition to efforts to weaken funding for the new Bureau:

Dear Colleague:

If we should have learned only one lesson from the financial crisis of 2008, it should be that when we protect consumers, we protect the health of the entire financial system.

That is why we want to bring to your attention the House Republicans' attempt to handcuff the newly created Consumer Financial Protection Bureau as it prepares to assume responsibility for safeguarding the nation's consumers this summer. Section 1517 of the Republicans Continuing Resolution would restrict the amount of money the CFPB can spend for Fiscal Year 2011 to less than the amounts the agency expects to need, and is a clear attempt to hamstring the new, independent agency as it hires staff and begins the critical work of providing clarity and security to the system of consumer finance.

This attempt is particularly concerning, because last year, after an open process that included a rare, televised House-Senate conference, Congress agreed that in order for this new financial watchdog to be effective, it must be independent and adequately funded. By deriving its operating budget from the Federal Reserve, it would be insulated from the types of partisan fights on Capitol Hill in which we find ourselves today.

Let us be clear: this back-door attempt to weaken the CFPB is in direct conflict with the financial reform law which says, "...the funds derived from the Federal Reserve System pursuant to this subsection shall not be subject to review by the Committees on Appropriations of the House of Representatives and the Senate."

Our amendment would stop the Republicans' attempts to make an end-run around this important legislation, which provides the strongest consumer protections and reforms to our financial system since the Great Depression.

Sincerely,

RUSH HOLT, Member of Congress

BARNEY FRANK, Member of Congress

BRAD MILLER, Member of Congress