United States Senate
WASHINGTON, DC 20510

July 18, 2016

The Honorable Richard Cordray
Director
Consumer Financial Protection Bureau (CFPB)
1700 G Street, NW
Washington, D.C. 20552

Dear Director Cordray,

In both good economic times and bad, community banks and credit unions serve as pillars of their communities, providing the capital and access to credit that families and small businesses need to grow. That is why Congress and federal regulators have long taken the approach that credit unions and community banks should be treated differently from the largest financial institutions and non-bank lenders. It is our hope that the CFPB also takes this approach and considers the impact of its rule-making on smaller financial institutions and consumers. We request that the CFPB carefully tailor its regulations to match the unique nature of community banks and credit unions.

As it has now been six years since the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), there are many new rules and regulations in place. We must ensure that credit unions and community banks are not unduly burdened by compliance, but rather have the ability to maintain their close relationships and continue to offer a wide variety of consumer financial products and services.

We agree that it is important for consumers to be empowered to take more control over their economic lives, and that bad actors should be rooted out of the financial marketplace. However, the CFPB must also consider its impact on community-based depository lenders, who are essential to spurring economic growth and prosperity at a local level, and not disrupt the good work of community lenders to help someone start a business, buy a home or car, or put their kids through college. Since we all recognize these community lenders were not the primary cause of the financial crisis, the CFPB must carefully tailor its rulemaking.

Dodd-Frank explicitly granted the CFPB the authority to tailor regulations in Section 1022(b)(3)(A) by allowing the CFPB to "exempt any class" of entity from its regulatory requirements. We believe the CFPB has robust tailoring authority and ask that you act accordingly to prevent any unintended consequences that negatively impact community banks and credit unions or unnecessarily limit their ability to serve consumers.

Thank you for your consideration and we look forward to working with you on this important matter.

Sincerely,

Joe Donnelly
United States Senator

Ben Sasse
United States Senator

Paul Manchin

Mitch McConnell

Amy Klobuchar

John Cornyn

Debbie Stabenow

John Barrasso

Claire McCaskill

Tom Cotton

Gary C. Peters

Shelley Moore Capito

Tammy Baldwin

Richard Shelby

Angus King

Dean Heller

Heidi Heitkamp

Kelly A. Ayotte

Bill Cassidy, M.D.

Jon Tester

Lisa Murkowski

Tom Udall

Bob Carey, Jr.

Mark R Warner

Mike F. Bennet

Tim Kaine

Roy Blunt

John Boozman

Orrin Hatch

Susan M. Collins

Chuck Grassley

[illegible]

Clare Kim

David Vitter

Ron Johnson

[illegible]

Steve Daines

[illegible]

Thad Cochran

M. Michael Rounds

Pat Roberts

Jerry Moran

Roger F. Wicker

Boucarh

Mike Crapo

Joni K Ernst

[illegible]

Pat Toomey

[illegible]

Cory Gardner

Michael B. Enzi

[illegible]

Lawrence Alexander

Thom Tillis

Rand Paul

John McCain

[illegible]

[illegible]

[illegible]

[illegible]

David A Perdue

[illegible]

John Hoover

Ted Stevens

Deb Fischer

Dan Coats

Jeff Flake

Rob Portman

James E. Risch

Jeff Sessions