



Written by [Bob Adelman](#) on June 8, 2018

Mulvaney Drains Part of the Swamp by Firing 25 CFPB Board Members

Acting Director of the Consumer Financial Protection Bureau (CFPB) Mick Mulvaney (also Office of Management and Budget director) is no fan of the agency that he runs, having called it a “sick, sad joke” and “essentially a one-person dictator[ship].” The CFPB, a brain-child proposed by left-wing Harvard professor Elizabeth Warren as far back as 2007, was specifically and deliberately designed to circumvent all constitutional limits on its activities. Part of the Dodd-Frank bill that was passed in 2010 in response to the financial crisis of 2007-2008, the CFPB is headquartered inside the Federal Reserve offices in Washington and is funded by the Fed rather than Congress. There is no congressional oversight on its activities, and efforts to declare the agency unconstitutional have failed. Worse, it violates the “separation of powers” doctrine that informed the Founders as they designed the Constitution: It writes its own laws, it investigates any violations of those laws, and then fines those who violate them. Finally, and most egregiously, it takes the money from those fines and passes them on to left-wing groups to help fund anti-American activities.



In a lawsuit filed by Connecticut attorney Kimberly Pinski in July 2013, Pinski alleged that the “CFPB’s structure insulates it from political accountability and internal checks and balances in violation of the United States Constitution. Unbridled from constitutionally-required accountability, CFPB has engaged in *ultra vires* [“beyond the powers”] and abusive practices, including attempts to regulate the practice of law ... attempts to collect attorney-client protected material and overreaching demands for, and mining of, personal financial information of American citizens, which has prompted a Government Accountability Office investigation.”

Her case was dismissed by a D.C. federal court a few months later.

The House Financial Services Committee called out the CFPB for its “radical structure” that “is controlled by a single individual who cannot be fired for poor performance.” The committee went further, claiming the agency lacked financial transparency and had no accountability to the president despite being a part of the Executive Branch. In simple terms, the CFPB is a rogue agency.



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When Mulvaney took over as acting CFPB director, he immediately launched a top-to-bottom review of all of the agency's operations, stripped enforcement powers from one of the agency's units responsible for pursuing discrimination cases, and proposed to Congress that it rein in the agency's powers through legislation.

On Monday, some of the board members publicly criticized Mulvaney for ignoring them and avoiding meeting with them to discuss their views on what the agency ought to be doing in its illegal role of oversight of banks, credit unions, securities firms, payday lenders, mortgage-servicing companies, foreclosure-relief companies, debt collectors, and other financial companies in the United States. That was the final straw, and [Mulvaney fired the lot of them on Wednesday](#). He added that when he creates a new board in the fall, none of them will be allowed to reapply for a position.

This naturally outraged Elizabeth Warren, the birth mother of the rogue agency: "Mick Mulvaney has no intention of putting consumers above financial firms that cheat them. This is what happens when you put someone in charge of an agency they think shouldn't exist."

No, Senator Warren, this is what happens when someone like you doesn't care a whit about Constitutional limitations. [Warren's Freedom Index rating](#) earned as a Senator from Massachusetts is a treasonous 13 out of 100.

Her complaint was matched by that from another far-left senator, Sherrod Brown (D-Ohio), who complained: "Mulvaney has proven once again he would rather cozy up with payday lenders and industry insiders than listen to consumer advocates who want to make sure hard-working Americans are not cheated by financial firms." [Brown's Freedom Index rating](#) is nearly as odious and unconstitutional as Warren's, at 22 out of 100.

Even though the board is now gone, the agency's 1,600-plus bureaucrats are still in place, poking their unconstitutional noses into other peoples' businesses. Unless Congress listens to Mulvaney's plea to end the agency, his firing of the board will only be a pause in its continued affliction of its illegal powers onto Americans who find themselves in violation of one or more of the agency's extra-constitutional rules and regulations.

Photo of OMB Director Mick Mulvaney: AP Images

An Ivy League graduate and former investment advisor, Bob is a regular contributor to The New American magazine and blogs frequently at [LightFromTheRight.com](#), primarily on economics and politics. He can be reached at badelman@thenewamerican.com.

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