

## MEMORANDUM

**To:** Members of the Committee on Financial Services

**From:** FSC Majority Staff

**Date:** March 16, 2017

**Subject:** March 21, 2017, Subcommittee on Oversight and Investigations hearing entitled “The Bureau of Consumer Financial Protection’s Unconstitutional Design”

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The Subcommittee on Oversight and Investigations will hold a hearing entitled “The Bureau of Consumer Financial Protection’s Unconstitutional Design” on Tuesday, March 21, 2017, at 10:00 a.m. in room 2128 of the Rayburn House Office Building. The following witnesses will testify:

- The Hon. Ted Olson, Partner, Gibson, Dunn & Crutcher LLP
- Saikrishna Prakash, James Monroe Distinguished Professor, University of Virginia School of Law
- Adam White, Research Fellow, Hoover Institution
- Brianne Gorod, Chief Counsel, Constitution Accountability Center

This hearing will examine whether the structure of the Bureau of Consumer Financial Protection (“Bureau”) violates the Constitution as well as structural changes to the Bureau to resolve any constitutional infirmities. As established by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub. L. No. 111-203) (“Dodd-Frank”), the Bureau is headed by a single Director who serves a term of five years and is removable by the President “for inefficiency, neglect of duty, or malfeasance in office.”<sup>1</sup> Under Dodd-Frank, the Director sets the Bureau’s budget; the Bureau is funded outside of the congressional appropriations process through transfers from the Federal Reserve System’s operating expenses, subject to a statutory cap.<sup>2</sup>

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<sup>1</sup> § 1011, 12 U.S.C. § 5491 (2010).

<sup>2</sup> *See id.* § 1017(a).