***ANDY BARR's TABS ACT***

"On Friday, I reintroduced the Taking Account of Bureaucrats' Spending Act, or TABS Act, because the Consumer Financial Protection Bureau deserves the same scrutiny and the same checks and balances as any other federal agency. Congressional oversight and accountability will ensure that the Bureau stays true to its mission of consumer protection, and avoids politically motivated overreaches, wasteful spending, and unnecessary regulations." Andy Barr website

***WHAT TABS ACT LEGISLATION DOES***

The objective of this legislation is to curtail the effectiveness of the Consumer Financial Protection Bureau. It has nothing to do with wasteful spending by the agency or making sure the CFPB stays true to its mission of consumer protection. If Congressman Barr actually cared about the mission of the CFPB, he wouldn't be constantly attempting to hinder it from performing its primary function: ***to protect consumers from abusive, fraudulent and dishonest business practices.*** In multiple pieces of legislation Barr has co-sponsored, authored or supported he has attempted to alter the mission of the CFPB (Financial Choices Act of 2017), alter the leadership of the CFPB from a single director to a partisan board of 5 members (HR 1018), repeal of the entire CFPB (HR 1030), prevent the CFPB from passing any regulations without prior Congressional approval (REINS Act), and ending the CFPB rule regarding the illegality of bank fees on prepaid credit cards (HJR 73).

***CHARGE OF LACK OF ACCOUNTABILITY BY CFPB***

There is nothing in the operation of the CFPB that even remotely approaches overreach or a lack of accountability for its spending. Barr's charge that the CFPB is engaged in wasteful spending or lacks checks and balances are blatantly false. Each year the GAO carries out an investigation of the CFPB for accounting irregularities and problems with its books. For the last 5 years, the annual review of the CFPB has been consistent, with the following statements made repeatedly by the GAO:.

- the CFPB financial statements as of and for the fiscal years ended September 30, 201_, and 201_, are presented fairly, in all material respects, in accordance with U.S. generally accepted accounting principles;
- although internal controls could be improved, CFPB maintained, in all material respects, affective internal control over financial reporting as of September 30, 201_; and
- no reportable noncompliance for fiscal year 201_ with provisions of applicable laws, regulations, contracts, and grant agreements we tested.

The GAO has gone on to say: "in our opinion, CFPB's financial statements present fairly, in all material respects, CFPB's financial position as of September 30, 201_, and 201_, and its net cost of operations, changes in net position, budgetary resources, and custodial activity for the fiscal years then ended in accordance with U.S. generally accepted accounting principles. CFPB maintained, in all material respects, effective internal control over financial reporting as of September 30, 201_, based on criteria established under FMFIA and applicable sections of OMB Circular A-123. Our opinion on CFPB's internal control over financial reporting is consistent with CFPB's assertion that its internal control over financial reporting was effective as of September 30, 201_, and that no material weaknesses were found in the design or operation of the controls.

This is not the kind of report the GAO produces for a department in which cost overruns, poor bookkeeping or a lack of accountability prevails. The Fed does not oversee the CFPB budget, because its budget is pre-determined by the Dodd-Frank Act. Under the Dodd-Frank Act, the CFPB is funded principally by transfers from the Board of Governors of the Federal Reserve System up to a limit set forth in the statute. The CFPB requests transfers from the Board of Governors in amounts that are reasonably necessary to carry out its mission, with funding capped at a pre-set percentage of the total 2009 operating expenses of the Federal Reserve System, subject to an annual adjustment. Specifically, the CFPB fund transfers are capped so by fiscal year 2014 and beyond, the cap remains at 12 percent, but adjusted for inflation, currently about $615 million for the 2016 fiscal year.

CFPB entered into a contract with the Department of the Treasury's Bureau of Public Debt (BPD) for the cross-servicing of a core financial management system that uses a commercial off-the-shelf core financial management system designed and configured to meet generally accepted accounting principles for Federal entities. Further, CFPB established an IT Investment Review Board (IRB) as an executive advisory body providing the business and technology leadership to ensure all technology investment aligns with the CFPB mission and goals. The members of the IRB work with the CIO and the Technology Implementation Group to make informed recommendations and assist the CIO in making proper investment decisions to ensure that CFPB's IT assets are managed as strategic business resources that support the mission of the bureau.

***HOW IS CFPB FUNDED AND WHY?***

Congress provided the CFPB with a source of funding outside the appropriations process to shield it from the political pressure in Washington that might prevent it from doing its job. One of the first efforts by the GOP was to prevent a Director of the CFPB from being named. Since then, the CFPB has been under a yearly assault to limit its function and power to regulate the financial sector.

The CFPB is the only bank supervisor with a statutory cap on its primary source of funding. If the Director were to determine that the non-appropriated funds to which it is entitled under the Act are insufficient to carry out its responsibilities, the Act provides the potential for CFPB to also obtain appropriated funds. In accordance with the Act and appropriations law requirements, further action would be required on the part of the Director and Congress in order for CFPB to obtain such appropriated funds.

The improper payments elimination and recovery act of 2011 requires agencies to review their programs and activities annually to identify those susceptible to significant improper payments. The CFPB's risk assessment process did not identify any programs susceptible to significant improper payments. The Dodd-Frank Act, amended by the Full-Year Continuing Appropriations Act, 2011 mandated that the CFPB obtain an annual independent audit of the operations and budget of the Bureau. CFPB contracted for an independent performance audit of the CFPB budget and several operating areas that were instrumental in implementing the Dodd-Frank Wall Street Reform and Consumer Financial Protection Act of 2010 and standing up the CFPB; Human Capital and Organizational Development, Consumer Response, Information Technology, and Communications and Transparency.

***EFFECTIVENESS OF THE CFPB?***

The original funding of the CFPB was designed to be an apolitical process, with its sole goal of protecting the consumer from abusive, fraudulent and dishonest business practices. It's operation inside of the Treasury mirrors that of the FBI inside that of the Attorney General's Office. The CFPB serves as a policeman of financial institutions to ensure fair, open and transparent financial services in which consumers are protected from the fraudulent, dishonest and abusive financial practices of the past.

The CFPB has become a target of politicians not because it is ineffective, but because it has been surprisingly effective in prosecuting bad financial services behavior. It has returned nearly $12 billion to over 29 million consumers. It has ended the obtuse, unintelligible credit contracts and forced credit card companies to provide more clear credit contracts the average consumer can understand. It has ended the arbitration clauses in credit contracts that prevent consumers from suing companies for fraudulent or dishonest business practices. It fought and won its case against the fraudulent accounts created by Wells-Fargo that led to a $100 million settlement for Wells-Fargo customers. It won a $140 million settlement with Capital One over deceptive marketing and add-on-credit products consumers did not want, did not use or did not understand. It won a $700 million suit against Citibank for illegal credit card practices. It won an $85 million settlement against American Express for its violation of consumer protection laws. It ordered JP Morgan to pay $309 million for illegal credit card practices like credit monitoring services not provided. It won $80 million from Ally for discriminatory auto loan pricing affecting minority borrowers. It has successfully fought debt collectors who attempted to collect debts not owed by consumers. It has fought loan companies and businesses engaged in fraudulent loan practices. It has stopped the practice of kickbacks for loan referrals, fraudulent overdraft fees on debit purchases, dishonest practices by loan and credit providers, payday lenders for deceptive advertising, unauthorized bank account transfers and pushing borrowers into cycles of debt. It has fought predatory lenders, elderly financial abuse and the use of illegal advance fees by debt settlement services. It shut down USA Discounters for preying on service members and forcing them to pay for services not provided and charging fees for legal protections servicemembers already had. Hardly a record of poor accomplishment or a failure to protect consumers from bad financial business practices. All this information can be found on the CFPB website at:
https://www.consumerfinance.gov/?gclid=Cj0KEQjw9YTJBRD0vKClruOsuOwBEiQAGkQjPxUx_fPDShO9nIhKneWmLFQyuR8xxlMdJCrTdYZhCwAaAgTv8P8HAQ