

**Congressman Jim Jordan (R-OH), RSC Chairman**  
**Congressman Randy Neugebauer (R-TX), FSWG Chairman**  
**WEEKLY UPDATE: May 9, 2012**

**In This Newsletter: Dodd-Frank Tracker; CFPB & OFR Appropriations**

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### **Dodd-Frank Tracker**

Dodd-Frank requires approximately 400 rule makings, less than half of which have been proposed or finalized so far. According to regulators, these first 185 rules will require 19 million man-hours to implement, and over 24 million man-hours in annual, ongoing compliance burden. By comparison, it took about 20 million man-hours to build the Panama Canal. While the canal connected the two largest oceans in the world, all Dodd-Frank seems to be doing is connecting lawyers with billable hours.

We need to be talking about these numbers in our districts. Banks and credit unions, retirement funds and other financial institutions will be forced to spend a large portion of their budgets trying to comply with Dodd-Frank rules rather than lending to small businesses and American consumers and investing in our economy. While the promised benefits of Dodd-Frank are still illusory, the costs are beginning to become crystal clear.

Follow the Dodd-Frank Burden Tracker at [www.financialservices.house.gov/burdentracker](http://www.financialservices.house.gov/burdentracker)

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### **Budget Reconciliation: CFPB**

Tomorrow the House will vote on the Sequester Replacement Reconciliation Act. Included in this bill is \$35 billion in savings from the Financial Services Committee, including \$5 billion in savings from bringing accountability to the CFPB by placing it under the regular appropriations process at \$200 million per year.

In the first six months of the current fiscal year, the government has added \$778,988,000,000 to the national debt. Every dollar the Fed sends to the CFPB is one less dollar that can be used toward deficit reduction. That is why we are continuing to lead a campaign to hold the CFPB accountable for its spending decisions. Last week we requested several documents from the agency, including documentation explaining why it needs \$55 million for “land and structures.” The Oversight and Investigations Subcommittee is monitoring this issue closely.

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### **Budget Reconciliation: Office of Financial Research**

Also included in tomorrow’s Sequester Replacement Reconciliation Act is \$270 million in savings from the repeal of the Office of Financial Research (OFR). The OFR is essentially the CFPB’s evil twin. This provision, sponsored by Congressman Canseco, would eliminate this unnecessary and burdensome organization that lacks accountability and has little budget oversight.

The Oversight and Investigations Subcommittee recently held a follow-up hearing to last July’s inaugural hearing on OFR. We are now at 20 months after the OFR’s creation, and—by its own admission—the OFR does not have any measures in place by which to measure its performance. In March of this year, the OFR published a “strategic framework,” but even then the OFR did not specify how it defined success and failure. It merely recounted a number of very broad aspirational goals. This is unacceptable. The OFR appears to be more big government with little accountability.

*Question or comments regarding RSC Financial Services Working Group items can also be directed to Erik Johnson, Erik.Johnson@mail.house.gov. Or Ja’Ron K. Smith, Ja’Ron.Smith@mail.house.gov*