



In Case You Missed It...*

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August, 2011

Footnote 27 in Docket No. CFPB-2011-0004 of the Bureau of Consumer Financial Protection (Interim Final Regulation on the Alternative Mortgage Transactions Parity Act): “Section 1066 of the Dodd-Frank Act grants the Secretary of the Treasury interim authority to perform certain functions of the CFPB. Pursuant to that authority, Treasury is publishing this interim final rule on behalf of the CFPB.”

The rule is signed by Alastair Fitzpayne, the Deputy Chief of Staff and Executive Secretary, Department of the Treasury.

As you recall, the January 10, 2011 letter from the Inspectors General of the Treasury and the Board of Governors to Chairmen Bachus and Biggert articulated their reasoning in some detail. In brief they said:

“The interim authority specified in section 1066 of the Dodd-Frank Act does not fully terminate on the designated transfer date. Sections 1066(a) and 1066(b) identify two different expirations for Treasury’s authority. The Secretary’s authority under section 1066(a) terminates when a Director is confirmed by the Senate, rather than on the designated transfer date. Section 1066(a) states ‘The Secretary is authorized to perform the functions of the Bureau under this subtitle *until the Director of the Bureau is confirmed by the Senate...*’ ”

This either lays to rest the debate over the authority of the CFPB to issue rules without a Director, or tees it up for issue to be joined, should someone wish to do so.

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