



May 15, 2019

Dear Senators Cruz, Tillis and Cotton and Representatives Budd, Mooney and Davidson:

On behalf of the undersigned organizations, we write to express our support for your legislation to eliminate the Office of Financial Research, a duplicative and opaque agency created from Dodd-Frank and without congressional oversight.

In 2018, Congress passed bipartisan landmark legislation addressing numerous regulatory shortcomings and agency overreach stemming from Dodd-Frank. To complement this reform effort, Congress should consider terminating the OFR. As directed under Section 153 of Dodd-Frank, its mission is to support the Financial Stability Oversight Council and its member agencies by collecting and analyzing data and risk toward financial markets. However, this objective already exists within roughly 20 other agencies, departments, bureaus and committees, most notably within the Department of the Treasury, the Federal Deposit Insurance Corporation and the Federal Reserve.

OFR's capabilities also raise serious questions regarding data and privacy security for financial institutions forced to turn over similar information to federal agencies, often already available with the institution's primary regulator. In order for the agency to have access to this data, Congress granted OFR sweeping authority to collect information from the companies that fund it, including regulatory agencies, using subpoena power. Concerningly, this allows OFR to gather information for any reason and with no accountability.

OFR is funded outside the appropriations process, receiving its funding through fees collected from predominantly bank holding companies and some non-financial companies with little oversight of how the fees are spent. For fiscal year 2019, OFR's budget was \$75.3 million, compared to its budget under the previous administration of \$101.4 million for fiscal year 2017.

For these reasons, we, the undersigned organizations, strongly support your legislation which would eliminate the redundancies created through the establishment of OFR and its underlying provisions produced from Dodd-Frank.

Sincerely,

Grover Norquist
President, Americans for Tax Reform

Brent Wm. Gardner
Chief Government Affairs Officer, Americans for Prosperity

Adam Brandon
President, FreedomWorks

Matthew Kandrach
President, Consumer Action for a Strong Economy

Andrew F. Quinlan
President, Center for Freedom and Prosperity

Phil Kerpen
President, American Commitment

Pete Sepp
President, National Taxpayers Union

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Nathan Nascimento
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Vice President, Competitive Enterprise Institute