Department of Justice flip-flops, withdraws support from CFPB in PHH case

What does it look like when a federal department changes its mind?And if that department's opinion has been offered in an ongoing court case involving a federal agency -- what does that mean?This is the current scenario describing the Department of Justice's (DOJ's) stance toward the Consumer Financial Protection Bureau (CFPB), which is currently embroiled in a regulatory battle with mortgage lender PHH.That regulatory argument involves RESPA (the Real Estate Settlement and Procedures Act) and how PHH managed its partnerships -- but how the CFPB is structured and whether or not the President has the power to remove the CFPB's director (and when the President can do so) has become a central issue to the case. Tomorrow, March 21, the House Financial Services Committee will hold a hearing titled "The Bureau of Consumer Financial Protection's (CFPB's) Unconstitutional Design" that will undoubtedly examine the President's ability to fire the bureau's director at will.The ...

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