

# Court Rules CFPB Structure Unconstitutional But Can Continue Operating



A federal appeals court has found the structure of the U.S. Consumer Financial Protection Bureau **to be unconstitutional** but has left the agency in place to “continue to operate and perform its many duties.”

The court said the way the CFPB is organized violates the Constitution’s separation of powers because it limits the president’s ability to remove the agency’s director, currently Richard Cordray, reports James Peltz for the *Los Angeles Times*.

The court said the law that now allows the bureau’s director to be removed only “for cause” conflicted with the Constitution, which allows the president to remove executives for any reason.

In his written ruling, Judge Brett Kavanaugh of the U.S. Court of Appeals for the District of Columbia, rejected the notion of shutting down the CFPB and said that the bureau instead “will continue to operate and perform its many duties,” Peltz reports.

**[Read the article.](#)**