

**IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

Consumer Financial Protection Bureau,

Plaintiff,

v.

Navient Corporation, *et al.*,

Defendants.

Case No. 3:17-CV-00101-RDM  
(Hon. Robert D. Mariani)

Electronically Filed

**PLAINTIFF’S NOTICE REGARDING  
SEILA LAW LLC v. CFPB AND RATIFICATION**

Plaintiff Consumer Financial Protection Bureau submits this Notice regarding two developments concerning this case.

First, on June 29, 2020, the Supreme Court issued a decision in *Seila Law LLC v. CFPB*, No. 19-7, 2020 WL 3492641 (U.S.), which held, consistent with the Bureau’s position on this issue (Doc. 359), that a provision of the Bureau’s organic statute that purported to permit the President to remove the Bureau’s Director only for “inefficiency, neglect of duty, or malfeasance in office” was unconstitutional. The Court went on to hold, also consistent with the Bureau’s position, that the provision was severable from the rest of the statute. In doing so, the Supreme Court made clear that, in light of its decision, “[t]he agency may ... continue to operate,” with a Director who is now “removable by the President at will.” *Id.* at \*5.

Second, in the wake of the decision in *Seila Law* rendering her removable at will, the Bureau's Director has considered the basis for the decision to file the complaint in this proceeding, and has ratified that decision. The Director's declaration of ratification is attached.

In the opposition that it will file to Defendants' Motion for Judgment on the Pleadings (Doc. 504), the Bureau will explain why, as a result of this ratification, this enforcement action may proceed apace.

Dated: July 14, 2020

Respectfully submitted,

Thomas G. Ward  
*Enforcement Director*

David Rubenstein  
*Deputy Enforcement Director*

Thomas Kim  
*Assistant Deputy Enforcement Director*

/s/ Nicholas Jabbour

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*Attorneys for Plaintiff*

**CERTIFICATE OF SERVICE**

I certify that on July 14, 2020, I filed the foregoing document with the Court's ECF system, which will send notification of such filing to counsel for Defendants.

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**DECLARATION OF KATHLEEN L. KRANINGER, DIRECTOR OF  
PLAINTIFF CONSUMER FINANCIAL PROTECTION BUREAU,  
REGARDING RATIFICATION**

I, Kathleen L. Kraninger, declare as follows, pursuant to 28 U.S.C. §  
1746:

1. I am the Director of the Consumer Financial Protection Bureau. I have served in that capacity since December 11, 2018. I was nominated to this position by the President on June 20, 2018 and confirmed by the Senate on December 6, 2018.

2. In January 2017, the Bureau filed the above-captioned lawsuit against Defendants Navient Corporation, Navient Solutions, Inc., and Pioneer Credit Recovery, Inc.

3. On June 29, 2020, the Supreme Court issued a decision in *Seila Law LLC v. Consumer Financial Protection Bureau*, No. 19-7, 2020 WL


3492641 (U.S.). That decision held that a provision of the Bureau's organic statute that permitted the President to remove the Bureau's Director only for "inefficiency, neglect of duty, or malfeasance in office" was unconstitutional. The Court accordingly severed that provision from the statute. In light of this decision, I understand that the President may now remove me with or without cause.

4. In my capacity as the Bureau's Director, I have considered the basis for the Bureau's decision to file the above-captioned lawsuit against Defendants.

5. On behalf of the Bureau, I hereby ratify the decision to file the above-captioned lawsuit against Defendants.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 9, 2020.

  
Kathleen L. Kraninger  
Director  
Consumer Financial Protection Bureau