Director Remarks, September 15, 2020, Taskforce meeting with Advisory Committees (CAB, CUAC, CBAC)

Expected Speaking time = 3 to 5 minutes

Thanks Manny. And thank you to the staff that put together this event. For those of you at home dialing in, welcome, I am glad you could join us. Finally, to the Taskforce members and those of you that sit on the Bureau's Advisory Committees, thank you for your service to the American consumer.

Good afternoon. I am so happy that we are finally able to bring these two Bureau groups together for a discussion. Today, three Bureau Advisory Committees, the Consumer Advisory Board, the Community Bank Advisory Council, and the Credit Union Advisory Council, will hold a discussion with the Taskforce on Federal Consumer Financial Law. This event was supposed to occur back in March at the outset of the Taskforce's work but as you are all painfully aware, little has gone on as planned this year.

Nevertheless, I am particularly pleased to be here today to further the work of the Bureau's Taskforce on Federal Consumer Financial Law. This Taskforce is one of my top priorities. Their work has the potential to greatly improve consumer protections, the financial marketplace, and the lives of consumers and providers of financial products and services.

At the outset, I directed the Taskforce to engage in a robust public outreach effort to collect as much information as possible from a wide variety of sources to take in all sorts of perspectives to inform their work. Thus far, the Taskforce has met with consumer and trade groups, issued a request for information process that solicited written input from the public, held a public hearing, and for the past month or so has been sitting with and listening to federal regulators and state level officials. Today is another effort to further solicit input about consumer financial protection.

The Dodd-Frank Wall Street Reform and Consumer Protection Act, the legislation that created the CFPB, states that the Bureau's purpose is to implement and enforce federal consumer financial law consistently; to ensure that all consumers have access to markets for consumer financial products and services; and to make markets for consumer financial products and services fair, transparent, and competitive.

The Bureau has been busy since its creation fulfilling our statutory obligations. Thanks to the hard work, dedication, and commitment of the Bureau's incredible staff, we are now beyond the startup phase of establishing a new federal agency. Now is the right time to take a step back and holistically evaluate how we can fulfill our objectives and functions in a more effective an efficient manner.

The Bureau's traditional work, however, goes on. We must continue fulfilling our day-to-day work, while continually responding to emerging trends in the marketplace and the ever-evolving needs of consumers, including during the trying times we face now during this pandemic. In order to ensure that the dedicated professionals within the Bureau can focus on maintaining our current operations, I formed the Taskforce on Federal Consumer Financial Law. I hired five people with a wealth of experience to serve as Taskforce members and charged them to review and ensure the Bureau is upholding its purpose.

When we established the Taskforce, I directed the members to not just consider the work done over the ten years since the Bureau was created but to also look back at the history of consumer financial regulation to help us prepare for the next ten years.

The idea to create the Taskforce was inspired, in part, by one of the last times the federal government stepped back to take a comprehensive look at the full, interwoven regime of consumer protection and financial laws and regulations.

In 1968 the Consumer Credit Protection Act was passed, which in turn established the National Commission on Consumer Finance, or NCCF. The NCCF was chartered to conduct original research and provide recommendations relating to the regulation of consumer credit. Its report led to significant legislative and regulatory developments in consumer finance.

Since publication of that report nearly 50 years ago, a lot has happened. Decades of advancements and innovations have occurred in the financial services industry – and the federal and state governments have worked in piecemeal to try to address the rapidly evolving landscape. Over time, many rules were written and overlapping jurisdictions between federal regulators, as well as with state entities developed. And we have seen the creation of an entirely new federal organization, the Consumer Financial Protection Bureau.

Like with the mission given to the NCCF, I instructed the Taskforce to develop and deliver to me a set of recommendations to improve the financial consumer protection system. Recommendations applicable to the present environment and well out into the next ten or fifteen years as the state of consumer finance inevitably evolves. The recommendations I accept and decide to move forward may require referrals to Congress for legislative action, the writing of new and amending of existing regulations, the development of new systems of coordination between federal regulators, the promotion of different federal-state working relationships, or the targeting of areas of concern that need further research. We will see come January when I expect to receive and review the Taskforce's report.

So, today is an opportunity for Advisory Committee members to offer their insights to help inform the Taskforce's recommendations.

Let me end by again thanking you all for joining and for your participation. Todd, for serving as Chair of the Taskforce, thank you. The floor is yours.