Chairman Zywicki Talking Points (post ARC Chair Greeting)

- Thank you, Mike. And, thank you to all the members of the Academic Research Council for inviting us to your meeting. We very much appreciate your time and look forward to hearing your thoughts.

- My name is Todd Zywicki. I serve as the Chair of the Taskforce on Federal Consumer Financial Law. I am also a Professor of Law at George Mason University (GMU) Antonin Scalia Law School, Senior Fellow of the Cato Institute, and former Executive Director of the GMU Law and Economics Center.

- Since we are here to listen and gather input from the members of the ARC, I am going to keep my comments brief. I will provide a short description of what the Taskforce has been up to since its formation in January; why this work is important; and then some of our goals for today's discussion. First though, I would like to introduce my colleagues on the Taskforce.

- I am joined by Jean Noonan, Bill MacLeod, Tom Durkin, and Howard Beales. Each member of the Taskforce has committed their career to improving the health of America's financial system and consumer protection, and each has a distinguished record of public service.

- I will avoid what could easily become a very long introduction for each member by sharing a few highlights of each of our members commitment to public service.

    - Bill and Howard are former Directors of the Bureau of Consumer Protection at the FTC;
    - Tom was a senior economist in the Division of Research and Statistics at the Federal Reserve Board; and
    - Jean was both Associate Director of the Bureau of Consumer Protection at the FTC and the General Counsel of the Farm Credit Administration which supervises the nation's agricultural and rural lending cooperatives.

- Through each of these experiences, and in their current professional capacities, the members have faithfully advocated for the betterment and protection of the consumers of this great nation. And to accomplish the work of the Taskforce, we are leveraging our combined 150 years of professional experience and tapping into the extensive expertise that exists within and outside of the CFPB. On behalf of my colleagues, it is an honor to once again serve the American consumer through this initiative.

- So, what has the Taskforce been up to since its formation, why is this work important, and what is the goal for today's meeting?

- As Director Kraninger mentioned in her remarks at the very beginning of today's meeting, the Taskforce is partially inspired by the National Commission on Consumer Finance, or the NCCF.

- The NCCF was created to conduct original research and provide Congress with recommendations relating to the regulation of consumer credit. The findings and recommendations from the Commission's report were made public and the report led to significant legislative and regulatory developments in consumer finance.

- Similarly, this Taskforce has been examining the existing legal and regulatory environment facing consumers and financial services providers, and we will publish a two-volume report of our findings and recommendations.

- The first volume of the Taskforce's report will consist of history, research, analysis, and guiding principles on various aspects of consumer finance and consumer financial law.

- The insights captured in volume one will provide a foundation for recommendations we will put forth in volume two. The recommendations we share will be developed through our own research as well as input from a robust series of public, state, and federal engagements. Today is another opportunity for us to glean insights that will inform our work.

- We are excited to hear from all of you and eager to discuss ways to strengthen the Nation's marketplaces and improve consumer protection.

- As alluded to, the central goal for today's meeting is to hear the thoughts and recommendations of the advisory committee members. Please note, that as comments and recommendations are being shared, any of the Taskforce members may nudge into the conversation to ask for clarification or more detail to ensure we understand your point.

- Here are five topics we'd like to hear your thoughts on:

    1. First, we want to hear thoughts on the **legal framework of consumer protection.** Consumer financial protection is promoted by a framework of laws, regulations, decisions, directives, regulatory policies, guidelines, recommendations and procedures made by numerous state and federal regulatory organizations. As the Director mentioned, much of this framework has evolved over time. What changes should be applied to this framework to improve consumer protection and the state of consumer finance?

2. Secondly, we want to discuss the topic of **consumer information and education.** Financial mobility and empowerment is enhanced by increases in formal education, financial education, and consumer choice. This is particularly true with vulnerable and protected populations. What recommendations could lead to improved financial literacy for all consumers?

3. Next is **competition and innovation.** In competitive marketplaces there are typically abundant producers competing to provide consumers with the goods and services needed, and no single producer or consumer can dictate the market. Technology has led to rapid changes throughout the economy, and financial technology (or "FinTech") has led to the development of new financial services and nontraditional financial service providers. We'd like to hear about the relationship between consumer protection, competition, and innovation and how we can create an environment where each of these are enhanced.

4. On the subject of **inclusion and access**, we want to discuss how to promote access to financial goods and services like credit to help create an economy where all people have the tools to build wealth for their families and communities.

5. Finally, we want to discuss **regulatory modernization and flexibility.** The development of the national economy of consumer finance led to the growth of consumer protections in the 1960s-70s. Today consumers shop for and use financial products differently than at that time. How, too, should the regulatory regimes be updated to meet the realities of today and years into the future?

- In your guide we have offered specific questions on each of these topics, but please feel free address these topics as you feel is appropriate.

- Mike, I'll turn it back to you so we can begin.