

Good Afternoon and once again welcome to the CFPB Headquarters.

Thanks again for taking the time to participate in today's Listening Session.

As many of you are aware, in the last year we've taken some significant steps to ensure that the Bureau is hearing a wide spectrum of views. That has been intentional. I am committed to ensuring that the Bureau ~~operates from the position of being open to a~~ obtains a significant degree of input from consumers and all of the other stakeholders that who touch on consumer protection and financial well-being. As we contemplate rulemaking and how to position the Bureau for success in the realm of consumer protection it is critically important that we remain receptive to learning and input.

Over the last year, we've strengthened our advisory council structure and launched a symposia series. We held the fourth symposium just two weeks ago. And now, the Taskforce on Federal Consumer Financial Law, announced last October, is commencing its work.

I'd like to pause for a moment and once again express my sincere thanks to everyone that who has volunteered to participate in our Boards and Councils, in our Symposia series, and now on the Taskforce. What has come across is that people are passionately committed to finding the best way to protect consumers, foster innovation and promote financial well-being. There are many concepts that they advocate. For the Bureau, it is incredibly enriching to our process and thinking to hear these debates and receive this input. In all of these venues it is very clear that participants come well-prepared and draw on significant knowledge and experience, and that ultimately, they want to foster our work by helping us understand the full range of perspectives. I am gratified that so many want to help the Bureau make good policy on behalf of consumers.

I'm also truly appreciative to those of you who've joined this Listening Session today. Your insight and concerns are relevant and should be considered. This Listening Session is meant to ensure that you

have an opportunity - at the outset of this process - to provide input to the Taskforce members as they embark on their work.

A robust flow of information and ideas is critical to the success of this process. Just as their input to the Bureau is important – your input to them is a crucial building block in creating a firm foundation for their work.

We're open to all input! My initial sense purpose in creating the Taskforce is-was to seek recommendations about areas where the Bureau's work on innovation, inclusion and competition can be augmented. I also see a clear need to modernize the financial regulatory framework – particularly where there is overlap created across the many decades of law and regulation. I am reminded of the old saying "you can't see the forest because there are trees in the way." I think this Taskforce has a very exciting mandate – take a fresh look across the widest spectrum. Rarely do we get a chance to do that! So, that's the "big picture"!

I'm also hoping the Taskforce can help us on how we can become more nimble and adaptive – I believe the Bureau must be better able to anticipate and to keep pace with change and to keep pace. The Bureau was formed not quite 9 years ago. Consider for just a moment how technology and the financial services marketplace has evolved in just 9 years. New Technology, such as mobile banking and payment applications, is now an integral part of the vast majority of consumer's financial lives. A lot of that tech either didn't exist or certainly wasn't in common use 9 years ago. But one thing is for sure – consumers like what technology can do for them. Very few people want to give up the convenience and utility that technology is delivering. One area where I believe the Taskforce can provide tremendous help is identifying elements of FINTECH that we need to study as a means in order to build the "circuits" to keep up with tech. Tech will continue to evolve – but will we keep pace? And if we don't – what are

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the consequences for American consumers? One of those consequences could be that if we can't keep pace we end up limiting tech at the expense of consumers. I don't see us taking tech away from people but I do see us working hard to make sure consumer protection does not impede fostering innovation and technology. That's really important to me – and it is really important to the future of the country.

SO ----- no small list here!

But all these issues are truly relevant to the Bureau keeping pace and producing the best possible results for American consumers. The marketplace for consumers has never been more dynamic or -evolving at such a rapid pace. It's important that the Bureau hear from consumers - and the widest range of advocates, experts and stakeholders. While there may be – likely is – a range of opinion and perspective assembled in this room today – and I hope there are is I believe we all share the ultimate goal of protecting consumers and advancing financial well-being.

And that's the crux and its a great starting point. I also think when we find ourselves in disagreement on how we achieve the best results, we should pause, and consider that common goal, and really try to hear what others are saying and look for merit.

We are also looking to the Taskforce to produce new research and legal analysis. Our goal is to drive harmonization, modernization and updating of federal consumer financial law and implementing regulations. Too often regulation or the framework that implements regulation falls out of sync with the world it governs. So, this isn't an academic exercise The work the Taskforce is undertaking has the very real potential to help consumers – to provide insight and even tactical guidance on how we ensure we understand the environment in which consumers operate, and how we can ensure our efforts are up to meeting their needs. That's why I believe it is important for the Taskforce's to look into the future

and try to gauge what the environment will look like years out and try to help us think about how we remain relevant.

Many of you have also heard me say that I want to create a culture of compliance and that it is bedrock to preventing harm to consumers. The first element in fostering a culture of compliance is making sure that expectations are clear – and clearly understood. I've referred to this as "clear rules of the road" characterized by transparency on the part of the Bureau. I am hoping the Taskforce will be able to provide us with some guidance on how we ensure we communicate clearly. That can be challenging when you have a lack of clarity based on legal and regulatory overlap, inconsistency or just simply confusion. It also creates challenges for the Bureau in holding bad actors accountable. Ambiguity can benefit those who do not want a culture of compliance. I also believe government does its best work when we are supporting the aspirations of Americans and helping turn those aspirations into something tangible.

In considering the formation of the Taskforce I looked broadly at options for doing this type of research and review. Certainly, the internal capabilities of the Bureau are tremendous. I count my colleagues as among the smartest, most committed and capable individuals I've ever had the privilege to work with.

But there is no process more powerful than bringing together committed professionals who hold a range of opinions and theories, letting them "roll up their sleeves" and hammer away to a view or set of recommendations. So as the Taskforce gets to work, I ask that everyone – including those here to express their views to the Taskforce, approach this effort devoid of politics and work to provide observations and recommendations that are rooted in fact and evidence.

Again, I want to express my sincere appreciation to the women and men that have offered to serve on this Taskforce. It does not come without sacrifice – but I hope – and really, I believe it will also bring

satisfaction, both professionally and personally. I am certain that your work will be productive and will provide value to the Bureau and the American consumer.

Again, thank you for participating and attending. And with that I'm going to turn this over to our Chair, Prof. Zywicki, and just note that I really look forward to your findings!

Have a great afternoon, everyone!

I believe that regulation has a very appropriate and necessary place in our society. But regulation often comes as a response to an event. Dodd Frank certainly did. But regulation absolutely needs to produce what it promises. Regulation needs to adjust to updated circumstances and needs, and it needs to ensure that we are creating economic opportunity, economic growth and consumer protections. A huge part of getting to good rulemaking, good law and good process is that you need good input. And that input needs to be well-considered, well-researched, and continuous. Nothing remains static – regulation needs to adapt. Sometimes that means regulation needs to be reduced, changed or created. Here at the Bureau we need to be challenged and stimulated. We need a process by which we prove the value of regulation every day – especially when there's evidence that regulation may be limiting consumer choice and opportunity. Regulation – especially regulation aimed at consumer protection – was never intended to hold people back or limit opportunity.