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**Statement of CFPB Director Rohit Chopra and Chief Technologist Erie Meyer on
Enhancing Agency Capabilities to Address Transformative Technologies**

The Consumer Financial Protection Bureau (CFPB) is charged with ensuring that consumer financial markets are fair, transparent, and competitive. The agency recognizes that market participants are quickly adopting new data-intensive business practices at every stage of the consumer finance lifecycle, from marketing and loan origination to credit reporting and collections. At the same time, large technology conglomerates are increasingly entering a number of consumer finance markets.

The CFPB is working to be a leader when it comes to building agency capabilities to address transformative technologies. The CFPB will be focusing on several goals in the short term.

Embed more technologists across the CFPB's core functions. Over the past two years, the CFPB has piloted a number of efforts to recruit and embed individuals with technical skills across the CFPB's work. Most notably, technologists are now engaged in supervisory examinations, enforcement investigations, and other regulatory proceedings. These individuals are assessing a range of business practices, including examining the use of algorithms and artificial intelligence in lending, ascertaining compliance with federal law, and identifying deceptive dark patterns.

Conducting research and analysis on the application of emerging technologies. The CFPB has led a number of research endeavors to identify how technologies are implemented in consumer finance. For example, the CFPB published an analysis on the use of advanced technologies including generative AI in customer service, a report on the use of near-field communication technology in point-of-sale consumer payments, and more. These research efforts have proved to be valuable to market participants, regulatory agencies, and the public.

Advancing competitive marketplaces and assisting law abiding firms. The CFPB supports efforts to advance a competitive marketplace that constantly evolves. A key objective for the CFPB is to ensure that emerging business practices are consistent with federal law, and to take action when they are not. When appropriate, the CFPB will continue to issue policy guidance to help firms understand their obligation under existing law. This will promote markets that compete on the merits, rather than competing on regulatory arbitrage.

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The Consumer Financial Protection Bureau is a 21st century agency that implements and enforces Federal consumer financial law and ensures that markets for consumer financial products are fair, transparent, and competitive. For more information, visit consumerfinance.gov.