LEND ACADEMY

PODCAST TRANSCRIPTION SESSION NO. 258-RICH CORDRAY

Welcome to the Lend Academy Podcast, Episode No. 258. This is your host, Peter Renton, Founder of Lend Academy and Co-Founder of LendIt Fintech.

(music)

Today's episode is sponsored by LendIt Fintech USA, the world's largest fintech event dedicated to lending and digital banking is going virtual. It's happening online September 29th through October 1st. This year, with everything that's been going on, there'll be so much to talk about. It will likely be our most important show ever. So, join the fintech community online this year where you will meet the people who matter, learn from the experts and get business done. LendIt Fintech, lending and banking connected. Sign up today at lendit.com/usa

Peter Renton: We've a very special guest on the show today, I'm delighted to welcome Rich Cordray, he is the former Director of the CFPB, a position he held from 2012 through the end of 2017. He was the first Director of the CFPB and he's also recently written a new book, it's called "Watchdog: How Protecting Consumers Can Save Our Families, Our Economy and Our Democracy."

We talk about a range of different topics here, we talk about payday lending, we talk about overdrafts, we talk about the Supreme Court decision, we talk about innovation and how the CFPB really encouraged that and we talk about open banking and much more. It was a fascinating interview, we hope you enjoy the show.

Welcome to the podcast, Rich!

Rich Cordray: Glad to be here.

Peter: Okay. So, you've got a very interesting background, but one thing I want to touch on that I was reading about in your background going back many, many years, you were actually a Jeopardy champion back in the 1980's, I believe, so why don't you just tell us a little bit about that experience and how it sort of, I guess, influenced your future back then.

Rich: Well, that was my default strategy for paying off student loans (Peter laughs). It doesn't work for the broader population, but it worked for me. Now, I had done some quiz show-type programs over the years in school and I had a friend who went out and was on Jeopardy and did very well and he came back and said I should do that.

I was in law school at that time, I felt like I was very busy, but the next year when I went off and served as a law clerk, I found some time, I went off to Los Angeles and tried out which was how you did it in those days, this was before online. I tried and got invited to be on show and was one of their five-time champions at that time, again, different from now. You played five games and if you won five games in a row, they took you off the show and had you come back later for the Tournament of Champions. I did that and it was, you know, successful for me, I made more money on Jeopardy than I did working for the Supreme Court that entire year (Peter laughs).

Peter: Great, that's a great story. Well, let's fast forward through several decades, I guess, to your time at the CFPB. The CFPB has been....you came out of the financial crisis and Dodd-Frank and you were the first permanent appointed, you know, Head of the CFPB so we look back at that time, what are you most proud of in your tenure there?

Rich: You know, there's actually a lot of things. We had a great team of people and I'm proud of building the agency and building the quality of the personnel as highly as we did, but I would say there were three things, I think, that stick out the most. The first was that we were willing to bring and were aggressive about bringing enforcement actions to change behavior in the financial industry We ended up recovering $12 Billion for 30 million Americans who had a series of different enforcement actions and I think that made a difference in the marketplace.

Second, we were coming off of a financial crisis that had been caused by tremendously irresponsible and predatory mortgage lending and Congress had given us the task of putting safeguards in place to improve the mortgage market and to make it a stronger market, a better market for consumers and, frankly, better for the industry which had failed dismally in the lead up to the crisis and I believe we did that. I think the rules had been assessed, now there was a five-year look back requirement, we've come into this new crisis and foreclosures have been very low, loans have been strong and so that was important.

The third thing is something I talk about in my book, a whole chapter of my book, and I was surprised that it lead itself to that much action, but we set up a complaint response system that allowed individual Americans to have their voices be heard and have their problems be handled and responded to by the Bureau. More than 1.3 million people did that during my time there. They're now well over 2 million complaints that they've handled and it has been very effective for people across the country. It also was very effective at helping the Bureau understand better what kind of real-time challenges consumers were facing so that we could understand and address those challenges in that respect too.

Peter: So, how did those complaints work like someone files a complaint, you can't go and fully investigate 1.3 million complaints, you just don't have the manpower for that so, do you look for....if like 50 people were complaining about the same thing, do you go and investigate it? What was the process then?

Rich: So, every complaint got handled and processed. In the first place, what we did was we put them to the financial company that was complained about to address in the first instance which is interesting because very often the consumer had gone to the company once or twice before coming to us, but we found that when we were looking over their shoulder and we made it clear to them that if they didn't process complaints appropriately that could be the basis for an enforcement action, they were more responsive.

They gave them more respect, they gave them more time, more effort so that was important, but as you say, it was also important for us to recognize that to do meaningful interventions on these complaints, we need to look for a pattern of problems that consumers were facing. When we found that, we did take enforcement actions and we did look at companies through our examination process or supervision process to clean up those kinds of problems.

I tell a story in the a book about a young service member and his father, he was put into a very predatory auto loan and it turned out it was part of a network of lenders across the country that were doing this to service members who were right targets for abuse. They are young people, out on their own for the first time, guaranteed paycheck from the US government so they are very handy targets for a lot of predators.

We looked at that and found a pattern of problems and we ended up taking an enforcement action that corrected the problem for 50,000 service members across the country, recovered millions of dollars and ended up leaving and paying the Pentagon's Allotment Program for paying of debts for military service members that solved a lot of problems on into the future. So, that was an example how the voice of the consumer amplified sometimes by, as you say, multiple complaints, a pattern of complaints could become a good work done by the Bureau to resolve consumer problems.

Peter: So, do you think that during your tenure you had an impact on the behavior of companies in financial services? Do you feel like this.....the fact that they knew that there could be an enforcement action against them change behavior?

Rich: It clearly changed behavior and it changed behavior significantly for some institutions, not as significantly for some others who we continue to have trouble with. Of course, these things are uneven across an entire marketplace with lots of different players, but they certainly understood and by the way it was part of the resistance to the Bureau. There was significant resistance to the Bureau and efforts in Congress to slow us down or impede us in various ways because companies did not want to be told what to do, they did not want to have the law enforced aggressively and very often they were dragged kicking and screaming into change, but in many instances that was not the case.

In many instances, people realized that if we could clean up the marketplace it would be better for the customers, it would be better for them if they were trying to be a high road business doing the right things, not having to compete against the cheaters that cut corners or violate the law to get a advantage which creates a very different dynamic in the marketplace. They had it in the market even after the crisis.

So, again, you know, it varied from company to company, but there was a lot of behavioral change, there was a lot of straightening up and thinking harder about how they were serving the consumer and a lot more emphasis on listening to the voice of the consumer which is something we stressed all the time.

Peter: Right, right. If you look back and look at some...I was reading some of the articles from your tenure there and there were certainly some people who had tremendous dislike, it seemed, for you personally, but certainly for the Bureau, like you mentioned, the whole set up of the Bureau, we'll get to that in a little bit, but I'm curious about...from your perspective what was the most challenging part of being the Director of the CFPB?

Rich: Well, I certainly did have to face the facts early on that I wasn't going to be liked by everybody (Peter laughs). In particular, you know, some industry executives were very opposed to what we were doing, they felt threatened by that and many of them got with the program and understood it and recognized that change had to be made and they had to be part of the change and learn to embrace it.

But, for example, when I would go to testify in front of Congress, which I was required to do in front of the House and the Senate about every six months although it turned out to be more often than that because they took a great interest in what we were doing, these were difficult sessions and there was some real opponents of the Bureau.

People who had been opposed to the Bureau had voted against the creation of the Bureau were doing their best to try to, as I say, resist the work that we were doing and sometimes they got very partisan, they got very nasty and that was just something that I had to learn and deal with as best I could. I would try to diffuse it, if I could, but the only way I knew for sure that I couldn't diffuse it was by doing less at the Bureau and I wasn't willing to do that. We felt strongly the sense of mission to improve the marketplace and we knew we had limited time to do it so we were pushing it to upgrade the place,

Peter: Okay, okay. So, I want to talk about something that's been in the news a bit lately and this is about payday lending or small dollar loans and, you know, the CFPB under you had proposed limits on payday lenders and those limits have now been rescinded. I'd love to get your perspective on why it was wrong to rescind those rules, in your opinion.

Rich: Sure. And, again, this is against the background of..... payday lending was an industry that grew up at the state level. The usury caps in place in actually all 50 states limiting the interest rate that can be charged on the lending of money and there are a number of states that have made an exception in interest rate cap to allow small dollar lending at much higher rates because it is a less lucrative business, it's costly and so forth, but about a third of the states have not rescinded their interest rate cap so, in about a third of the states there is no payday lending.

It's an interesting reflection when we try to restrict payday lending, the industry said, no, you can't do that, people can't get by without access to this kind of credit. Well, about 100 million Americans in 17 states do get by without access to this kind of credit so that's an interesting reflection. What we were doing was trying to put in place, for the first time, better rules to reform the market and the reform that we were looking at, in particular, was that small dollar lending has become lucrative for companies because they targeted their particular kind of customer.

It's a customer who needs a loan, but will not be able to repay that loan in full at the end of the two weeks or the short period and will have to roll it over again and again and pay fee after fee and end up in a long term debt trap as opposed to a short term situation at very high rates of interest. We're talking 390% on average and sometimes exceeding 500% in your rates of interest, obviously, willingness to finance people stuck in these loans for a long time.

So, the reform that we put in place as the first rule governing the payday lending market was that if you were going to make a payday loan or be it a title loan, you have to first make a reasonable assessment that the borrower would have the ability to repay that loan when it came due without having to immediately re-borrow and that's in principle the ability to repay principal that has been put in place.

In the mortgage market, in the credit card market it works very well, it's typical of traditional lending. Typically, a lender will not lend to a borrower unless they know the borrower is likely to be able to repay or else they will lose their money. It's just that this particular industry is different, we analyze millions of payday loans and found that they made most of their money off the strapped repeat customers who were paying fee after fee and ultimately, might well default, by then, the payday lender had more than made their money back.

So, that was the gist of the reform rule. Now, what is definitely effective revenue and the business models of payday lenders as they exist today and they have been deeply resistant to that all along and after I had left the Bureau, during the last two months of my term, they did go back to the Bureau and have gotten the Bureau now to rescind that rule, although that's going to be challenged in court, and I think the ultimate outcome at the moment remains highly uncertain. But, that was the reason why we attacked those problems and that's the problem we were trying to take on and that's the reform we were looking to put in place.

Peter: Right, right, it makes logical sense. If someone's taking a loan, it would make logical sense that you should check to see that they could afford it. Anyway, I want to talk about...there's payday lenders and there's the installment lenders that are often, you know, 10/15%, but there's in-between. I'd love to get your perspective because you hear from the advocacy groups saying that, you know, anything over 15% is unacceptable, it's too high and there's obviously usury caps in many states.

But, what about those companies that are lending money, like there's .....US Bank has a pretty significant lending program, it's not payday, same with Key Bank, there are other smaller banks that have these, many online lenders that have programs. In your assessment, is there a line in the sand....like is it 36%, is it 15%, is there a line in the sand where you say that is unacceptable and it's going to be harming the consumer or how do you know? There are some lenders that I know that have fairly....like rates in the high double digits that go out of their way to try and make sure it's a positive outcome for the consumer. So where do you stand on that?

Rich: Well, look if you're talking about a rate that's in the high double digits, it's very difficult to make that a positive outcome for the consumer. I mean, it's possible in individual instances for some particular reason, but in general, that's not going to help people's finances and the argument here over access to credit is should there be access to credit of any kind whatsoever no matter how harmful it may be or should it be only access to beneficial credit. Now, the consumer group typically draw the line in the sand on the 36% rate of interest, that's sort of the top end of any kind of credit card program, it's become an acceptable number around the country at the state level.

I, personally, think that that's a reasonable level although I think you could add certain fees, again..... short term loans are more expensive to make and more cumbersome to make and less lucrative. So, when I was the Director, we encouraged US Bank to pilot a program that turned out to be somewhat higher than 36%, but well under triple digits or under triple digits and Fifth Third and KeyBank. To see banks, some banks, trying to offer a small dollar loan product and many credit unions offer such a product, I think is a good thing.

It creates competition and shows that small dollar lending can be done at more affordable levels. You don't have to be at a 390% rate of interest and make money in this market and so I'd like to see more banks try to offer a more beneficial product, but I don't want to go back to… there were some banks…Wells Fargo who at one time were offering the high triple digit interest rate loans and they were really mimicking the payday lending industry and bringing that industry into the banking process rather than coming up with decent banking loan programs that, of which you say, there are several and there could be more, I thought was the wrong approach.

Peter: Okay. So, I want to talk about overdrafts. You talk about this in your book and it's a personal pet peeve of mine so I want to give you a situation where someone overdraws their account by $10, they pay a $35 fee. If that person pays back that fee and the original amount in seven days, I did the math, it's an APR of 18,250%. Why do we have a product like that and I know you took some actions, you talk about it in your book against some banks on this and many of the digital banks are really using this no overdraft as a selling point and I'd just love to get your perspective on how you feel about overdrafts, in general.

Rich: Yeah. I think consumers have learned a lot about overdrafts in the last decade. They know that it is a danger, they know that it can be very harmful, people often talk about the $35 cup of coffee and people are trying to avoid that. As you say, there are some fintech providers that have developed good products, more friendly products to help them avoid overdrafting, and by the way, the people who pay a lot of overdrafts are some of the people who subsidized free checking for other customers at the banks.

The banks became dependent upon this as a source of significant revenue when the banking regulators allowed them to move in their overdraft in a very aggressive way, a very costly way for consumers. I think that the efforts being made to use technology to root out the very benefits of the consumers...we did not issue a rule on overdrafts while I was the Director in part because there had been new rules just issued by the Federal Reserve and need to take some time to see how those played out and our bandwidth was really absorbed by the mortgage rules which were such a heavy burden for the Bureau early on. But, I think overdraft could stand some consideration in terms of whether they are a regulatory reform that would improve that market, at the same time, there's been efforts made to develop safer banking products within the system. The FDIC has had such an effort, we joined them on that.

As you say, there are fintechs that are providing services and competitive programs instead of much more user-friendly for consumers so it'll be interesting to see how that plays out, but it's still the case, overdrafts is a significant source of revenue for the banks. It is not a very user-friendly product and it's very expensive, there are ways the banks could provide more notices and alerts to help people avoid overdrafting, They typically don't want to cannibalize their revenue to a significant degree and so that's the standoff that we currently face.

Peter: Right, right, okay. I want to talk a little bit more about fintech here and you talk about this, you have a whole chapter in your book where you had this.....there's fintech throughout your book, actually, but there's one chapter where your talk about Project Catalyst which was the innovation project at CFPB. We had Dan Quan on the show, Dan has been a long time friend of LendIt and he's actually helped us set up this interview, but I'm curious about.....you say there you don't like the sandbox concept. So, I'm just curious, how should fintech companies work with regulators like the CFPB if there is this regulatory uncertainty, where they are creating new products.

Rich: Yeah. So, sandbox is become some kind of a slogan that's turned around kind of loosely, not only in the United States but around the world, and it can mean different things to different people. If it means a kind of regulation free zone where anything goes and there's a lot of laxity, I don't think that's good for consumers and I don't think it's good for the industry because it's not sustainable over the long run. If you think that that's useful for incentivising fintech to try new things, I give some credence to that.

We tried to do this kind of incentivising through our office, our program, which as you mentioned Dan Quan headed it. He was tremendous at the Bureau, really spent a lot of time understanding the fintech industry and bringing their insights back to the Bureau helping us understand where they were consumer-friendly and where they were consumer-risky and we spent a lot of time and paid a lot of attention to some of the leading fintech companies to help guide them on their way and see if we could help clarify some regulatory obscurity that they run into.

They inevitably run into it because if they're offering new products, novel products then clearly, it's not apparent how they fit into this regulatory scheme which is drawn around existing or prior/previous products. So, there's going to be questions, there's going to be uncertainties and we try to leave the door open for people to get a better read on that while at the same time encouraging people to innovate, but to do it in a consumer-friendly way and to recognize that we didn't have all the answers as to what that meant, they did not have all the answers to what that meant and that we could learn from each other as we went along and what we tried to do.

But, I don't think there's yet a clearly defined program at any of the agencies in the United States or even around the world that is working effectively to marry a very rigid world of financial regulation with the innovation needed with fintech companies to meet consumer needs. It's something that you need to keep working at and keep trying to fit together and there's a lot more work to be done in that area.

Peter: Okay, okay. I want to switch gears a little bit and talk about open banking because this is something that I'm also really interested in and it's been mandated in the UK. It's been now two and a half years or thereabouts that they've had it. Actually, there's been a lot of innovation around basically getting all this access, the banks can no longer solo their data and they have to provide API access and there's some really, really interesting products developing there. Here, there's been no regulatory action on this and I'd love to sort of get your take on whether we should go the route of the UK and force banks or do you think the market should decide?

Rich: That's a great question because it is, as you say, being done very differently around the world, in Europe, in the UK and, frankly, increasingly Canada and Australia. There are open banking initiatives that are regulatory in nature, they are being driven by the regulators. It's interesting because there has to be a certain confidence by the regulators that they know the right direction to go. In the United States, it's been more market-driven and the regulators have been more hands off and that could work, it's possible.

The difficulty in this area is that there is a real disconnect between individuals who want to control their own financial information and the biggest financial institutions, the banks, who have a lot of that information and put time and effort into assembling, it, analyzing it, organizing it, safeguarding it and the like. I firmly believe, and we made this clear when I was the Director at the Bureau, that that information need, ultimately, to be controlled by the consumer, permission of the consumer, who should direct it's use.

The financial institutions have resisted that, and there's kind of a freeway battle going on, they may well be ways to establish standard setting organizations. I've done some work for Finicity and they're working on the FDX standard setting organization that may make a difference in this industry, the FDX, which is today. Without a request for information to understand more how it could assist in standard setting, standards have to be set and they have to be enforced in some manner, it's going to work and the natural way that happens in a lot of places through a regulatory body, but we'll see how it develops here.

It does seem to me that there is tremendous, tremendous value for the consumer in being able to permission and control their data to have it go to third party experts, as you say, that can help them understand better how to manage their finances, how to apply for loans, what they really qualify for in the credit space and getting the best deal for themselves. All of these things can flow from that.

The other side of this is data has to also be kept secure and there has to be privacy safeguards so that the use of it is something that the consumer controls and doesn't get away from them. That's been a difficult issue for a lot of financial institutions and, again, creating some standard setting body to help enormously on that.

That's something some of us have been working on and are very encouraged at the prospect of doing it that way, but we will see and it may be that the United States will have to transition to more like the European regime or the European and other regimes may learn from what we're doing in the United States and may find that a lot of these things can be adapted to their mode, we will see.

Peter: Interesting.

Rich: Early days in many respects for open banking although the promise of it and the incentives to do it and value for the consumer, I think, are now beyond dispute.

Peter: Right, right, okay. So, we need to talk about the Supreme Court decision that happened earlier this month, I think it was, and it especially struck down the CFPB leadership structure as unconstitutional. I thought it is really a sad day for the CFPB, it's a sad day for the consumers and then I read your op-ed in The Washington Post where you said, actually, it's not really....there is a silver lining here and more than a silver lining, you said it's actually a win for consumers. Explain why you say that.

Rich: You know, in some respects, I am one of the very few people who are in the best position to assess the position and the benefits of that decision, having been the first Director and led the Bureau for six years, obviously the longest tenure in the Bureau's history. I can tell you that I don't think that my work would have changed much at all if I had been removable at will by the President as opposed to removable for cause. There's a kind of independence that comes with that, you're hedged in by a lot of different influences and circumstances in any event, but at the same time, it wasn't going to change my approach to the mission of the agency.

The other guest issue that was stated in the case was whether if the leadership starts with the Bureau, the independent tenure of the director was found unconstitutional, was that going to somehow upset the applecart for everything the Bureau had done over the last ten years and was it going to perhaps even put the Bureau out of business for the future. There were parties in the case or briefs in the case filed that argued that point and argued for that broad, disruptive result, but in the end the court did not go there.

The court said in fact that aside from the leadership structure and the tenure provisions for the director, everything else about the agency was valid and would be upheld and certainly opened the door for the agency to go back and ratify actions that had been previously taken whether by me or by Acting Director Mulvaney or Director Kraninger and they have ratified many, many of those actions taken and they're ratifying more as we have each passing day. So, it's not a disruption to these markets and to recognize that the work with the Consumer Bureau has done, although it's been resisted in many ways, has in fact been constructive for a lot of these markets. It's improved the mortgage market, no question. It's improved the credit card market and it is having its effects in other markets as well.

Peter: Right, right, okay. So, we're almost out of time, but a couple more questions I really want to get to here. Obviously, we're in a very unique time right now where there's tremendous uncertainty, there's a lot of financial hardship happening with people unemployed and there's political wranglings happening right now. We are recoding this in mid-July and unemployment [benefits] may end at the end of this month and you know, obviously the forces surrounding force...I mean, what do you think...I'd love to get your perspective on how we can protect consumers in this time and what sort of a regulatory response should we have to enable that.

Rich: Sure, and this has been a fascinating and very difficult situation that has just come up, you know, so swiftly in this country this year and didn't really even happen until March of this year. After that time, we were in a long, slow recovery from the last financial crisis, I have said again and again and many others have said the worst financial crisis of our lifetime, that crisis in 2008. Well, lo and behold, suddenly we have a financial crisis to match it and maybe exceeded, Peter, in 2020, particularly with the speed of the economic collapse with the closing of the economy that followed the mishandling of the pandemic by this administration.

And, the interesting thing is the last financial crisis was caused by financial markets, by the mortgage market and the imbalances and the excesses and the irresponsible behavior there that flowed through Wall Street and securitized investments and caused a lot of damage to the financial system. This is not a financial crisis of that kind, this was caused by a pandemic, but whatever it is that's upset the engine of the economy, knocks it off of it's smooth path, the results often end up being the same.

There will be unemployment, there will be people who cannot pay their bills and cannot make payments and end up defaulting because they've lost income, there are very uncertain times for many families. In the United States, when you lose a job, you often also lose healthcare and that can cause tremendous financial stress for families and uncertainty. The oddity of this recession though is that the interventions from Washington have been so dramatic, so vast and so quick that, in fact, we saw average household income, when you take both income and jobless benefits and put them together, rose in April and we're still up even though down slightly from April, still up in May.

As Jamie Dimon said recently, I agree with him, this is a very strange recession. Income has been up, house prices have been up, the kind of misery that we often feel as people are dislocated, businesses go out of business and people are out of work has been deferred in this case and may be deferred further if we did another stimulus bill from the Congress in the next couple of weeks, which we may well get.

Eventually, it will hit and we will have a problem, we will have closures, we will have evictions, we will have people on long term unemployment. It's already estimated by most responsible observers that unemployment will remain in the double digits through the end of this year and remain historically high through 2021. So, we are in a collapse that is significant, it is being papered over by policies that have been very aggressive, not just by the Congress, but by the Fed and how all that plays out is very difficult to say.

We have this tremendous disconnect between the investment markets on the one hand and the actual economic numbers for the GDP and the real economy which are much worse. Who is right and who is wrong will take some time to play out, particularly the Fed artificially stimulating the economy as much as they have been and with the country suddenly running which is going to be $4/5 or 6 Trillion deficit starting this year which is unprecedented.

Peter: Right, right, okay. So, final question, we are about three and a half months from election day and obviously we don't know what's going to happen, but if Joe Biden wins the presidency I would expect the CFPB may take a slightly different direction, what do you think the priorities of the CFPB should be in a Biden presidency?

Rich: Well, I think the priority of CFPB should be whether....I've always thought the priority of CFPB should be, which is the C, which is consumers and in the time where the pandemic and it's effects are going to continue to mean a lot of hardship for a lot of Americans and, again, maybe it didn't happen in April for some of them, maybe it didn't happen in May, but it will happen for many of them eventually here, there's going to be a need for a vigorous response from the CFPB.

They're going to have to protect people in terms of their credit reports, they're going to have to protect people from abuse and harassment by debt collectors, they're going to have to think about how we transition out of a period where people haven't been able to pay their mortgages, haven't been able to pay their rents and what kind of public policy response has to be.

Then we're also going to have to...... once we've righted the ship and we've got the economy back on the course of recovery and long term recovery, not an up and down herky jerky recovery as we seem to be having right now, we need to think about whether there are any reforms that are needed to address the problems that have been laid bare by this current crisis.

The last time the Dodd-Frank Act was a significant financial reform bill, I don't know if that's merited here because it wasn't a financial problem that caused the crisis, to begin with, but there are some things around Fannie Mae and Freddie Mac, there are some things around the hedge fund and others that may call for congressional legislation, and, again, we'll see what the foot of the landscape is.

As you say, we're three and a half months from election, that's a lifetime in politics as many people have seen and it will be a very different course mapped out for this country, depending on who wins this presidential election and the course will roll up again very dramatically, depending on how that pans out.

Peter: Okay, Rich, we'll have to leave it there. I very much appreciate you coming on the show today.

Rich: My pleasure, thank you.

Peter: Okay, see you.

You know, if every financial institution really had the best interest of consumers in mind with every single thing they did, then we would not need the CFPB, but the reality is they don't and even.....there are some that either by errors of omission or by hiding things in the fine print, they try and get away with things that really is not in the best interest of the consumer. There are those that have tried to really just dismiss the CFPB as something that's worthless, there are those that have really challenged it.

Now, the Supreme Court has ruled and Rich said it's actually really a net positive for consumers and I think that it is good. As Rich said, it changes behavior knowing that there's a watchdog out there that financial institutions can't just have free reign, they've really got to have the best interest of the consumers at heart.

Anyway on that note, I will sign off. I very much appreciate your listening and I'll catch you next time. Bye.

Today's episode was sponsored by Lendit Fintech USA, the world's largest fintech event dedicated to lending and digital banking is going virtual. It's happening online September 29th through October 1st. This year, with everything that's been going on, there'll be so much to talk about. It will likely be our most important show. So, join the fintech community online this year where you will meet the people who matter, learn from the experts and get business done. LendIt Fintech, lending and banking connected. Sign up today at lendit.com/usa

(closing music)