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While in Washington, D.C. recently, community bankers and CBAO staff met with Consumer Financial Protection Bureau (CFPB) Assistant to the President and a Special Advisor to the Secretary of the Treasury Elizabeth Warren, Elizabeth Vale, office of community banks and credits unions; and Richard Cordray, team lead for enforcement.

During the more than hour long meeting, those attending discussed the progress of creating the CFPB. CFPB representatives recognized the difference between mega banks, community banks, and the unregulated shadow banking industry, and committed to remain diligent on reducing the cost and amount, while simplifying, regulation for the community banking industry. The key areas that the CFPB is currently focusing on are the reduction and simplification of truth in lending disclosures, financial literacy, and simplifying credit card disclosures.

The community bankers in attendance recommended that an advisory panel, consisting of community bankers, be created to assist with these and other initiatives of the CFPB. We also indicated that we do not want the budget of the CFPB to be appropriated by Congress or reduced if it would limit/prohibit the bureau's ability to adequately supervise and examine the shadow banking industry. Other suggestions offered by the community bankers in attendance were minimal capital requirements, improved licensing requirements, and enforcement when violations occur for the shadow banking industry.

This was the second face-to-face meeting with Professor Warren, as she previously met with community bankers at CBAO's office in Ohio shortly after her appointment by President Obama.