

# Key Hires for Consumer Financial Protection Bureau Implementation Team Announced

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The Treasury Department has announced key leadership hires for the new Consumer Financial Protection Bureau (“CFPB”) implementation team. Steve Antonakes, the Commissioner of Banks for the Commonwealth of Massachusetts for the past seven years, will lead depository supervision and Peggy Twohig, formerly with the Federal Trade Commission and currently serving as the Treasury’s Director of the Office of Consumer Protection and Policy Lead for the CFPB implementation team, will lead non-depository supervision.

In connection with today’s announcement, Elizabeth Warren indicated that “Peggy and Steve will play critical roles in building a CFPB that will level the playing field between bank and non-bank lenders. For the first time consumer credit is going to be regulated by product instead of by the kind of company selling it, and these two will be instrumental in developing this new approach.” In recent weeks, Deputy Secretary of the Treasury Neal S. Wolin described the CFPB implementation team as consisting of various “working groups focused on setting up key functions of the bureau such as research and supervision of financial institutions” with “[other] working groups ... focused on building the CFPB’s supporting infrastructure, from procurement and budgeting to human resources and legal services.”

As discussed in a previous post on this blog, the Secretary of the Treasury designated July 21, 2011 as the date on which the CFPB will assume existing authorities of seven federal agencies. Today’s announcement signals that the government is moving swiftly to maintain the CFPB implementation schedule contemplated by the Dodd-Frank legislation. Additionally, the appointment of leaders to undertake supervision of depository and non-depository institutions is an indication that we are one step closer to the CFPB prescribing rules under Dodd-Frank that will affect not only banks, but also nonbank financial institutions who will now be subject to a new layer of regulation and oversight previously unknown to such entities. It remains to be seen how institutions, of any nature, will handle the potential compliance costs of abiding by CFPB regulations and whether new regulations will change the landscape of products available to consumers.