

The Dodd-Frank Wall Street Reform and Consumer Protection Act



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Now that it is the Law of the Land; what is next for the payments industry and how can we become part of the regulatory process?

Anyone who has read the new financial reform legislation or has seen the [Davis Polk & Wadell summary](#), understands that it is the most seeping legislative and regulatory change to financial supervision since the 1930's. In response to the challenges that these changes represent for the payments industry, the ATM Industry Association (ATMIA) and the International Payments Forum (IPF) have organized the Financial Education Council (FEC) to proactively reach out to consumers, regulators and political leaders and to help bring clarity and understanding of how the payments industry works and how diversified financial services benefit consumers. For too long has the payments industry has been misunderstood and in some cases vilified for providing financial services that consumers need and want. As an industry we need to become advocates and educators of consumers, to give them choices and enable them to make educated financial decisions.

In a recent KERA public television 'Need to Know' interview, Elizabeth Warren who chairs the TARP Congressional Oversight Panel and is considered to be a front runner to head up the new Consumer Protection Agency of the Federal Reserve, expressed her views on the mission of the new agency. "The Consumer Agency is not about more regulation, there are currently seven agencies in Washington, each of which has some piece of financial consumer protection." She went on to say, "It's not about to stand up and make big pronouncements; don't do that or you're not allowed to do that or thou shall not do this. It's; how are we going to make the market work better? It's; how do we get credit card agreements that people can read and understand? It's; how do we get mortgages that people can read and understand? It's; how do we get check overdraft agreements that people can read and understand? And decide that they want it or don't want it. Ultimately that is a sustainable market."

If Elizabeth Warren's vision of the new regulatory landscape is correct, it behooves all of us in the payments industry to take the time to organize ourselves and educate regulators and consumers, and thus become part of the regulatory process. Regulation for the sake of regulation is an impediment to growth and innovation in the financial services industry. However, regulation that brings clarity and common sense into the rule making process may be exactly what the doctor ordered to heal the financial services industry and gain the trust of the consumers that our businesses depend on as

customers. It is through partnerships between business and government, and ultimately with the consumer, that is the formula for success in the brave new world of financial services.

The IPF Financial Education Council (FEC) will be proactive in working with ATMIA and other industry associations in developing tutorials and position papers that will act as reference guides for consumers and government. The FEC's first task will be to provide input for the public comments phase of the FinCEN 'Providers of Prepaid Access' proposed rulemaking. Your assistance and input will be greatly appreciated. If you or your organization is interested in participating please contact me directly at lyle@IPaymentsforum.com

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