



February 21, 2020

MARK YOUR CALENDERS: CFPB TO HOST SYMPOSIUM ON CONSUMER ACCESS TO FINANCIAL RECORDS

On February 26th, the Consumer Financial Protection Bureau (“CFPB”) will host a symposium in Washington, D.C. on the current and future state of consumer-authorized use of financial data. Consumer-authorized use of financial data describes situations where a consumer authorizes a company to access financial records from another company like a bank and use those records to provide a service or product to the consumer. Consumer-authorized access to financial data can create a more efficient and cost-effective experience for customers.

The symposium will consist of three panels. Following opening remarks by Director Kathleen Kraninger, the first panel will focus on the current landscape of consumer-authorized use of financial data including the benefits and risk of such data access. As a natural progression, the second panel will focus on market developments in consumer-authorized data access. The final panel will discuss considerations for policymakers including balancing consumers’ access to their data with data protection. You can view a live stream of the symposium here: <https://www.consumerfinance.gov/about-us/events/cfpb-symposium-consumer-access-financial-records/>.

Subject to rules prescribed by the CFPB, Section 1033 of the Dodd-Frank Act requires a “covered person” to make available to a consumer, upon request and in an electronic form that is usable by the consumer, information in the control or possession of the covered person concerning the consumer financial product or service that the consumer obtained from such covered person, including information relating to any transaction, series of transactions, or to the account including costs, charges and usage data. Certain exceptions apply to Section 1033’s information sharing requirement, such as for confidential commercial information or information collected to prevent fraud or money laundering. “Covered persons” include any person that engages in offering or providing a consumer financial product or service and any affiliate of such person if such affiliate acts as a service provider to such person.

The CFPB has not promulgated a rule under Section 1033 of the Dodd-Frank Act. Thus, whether Section 1033 is currently binding on covered persons is subject to debate.

In October 2017, the CFPB released a set of nine non-binding principles for stakeholders to consider when developing services or products based on consumer-authorized access to financial data. See our ALERT dated October 26, 2017. Through these principles, the CFPB recognized an individual’s right to grant third parties access to his or her financial information, although the CFPB noted that there was not universal agreement on this point. □

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