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Pence's Chief Economist Previews CFPB Changes, Predicts Agency's Continued Existence

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On March 7, 2017, *Mark Calabria*, chief economist to Vice President *Mike Pence*, commented on the *Trump* administration's likely approach to the CFPB during a panel at the National Association for Business Economics' annual economic policy conference. The comments provide rare insight given that President Trump has not publicly detailed his thinking on reforming the agency.

Calabria, a former U.S. Senate aide and the Cato Institute's former director of financial regulation studies, stated that the agency is unlikely to be repealed but will instead be altered so that it "actually goes after bad actors rather than mak[ing] policy decisions that have nothing to do with bad actors." In particular, Calabria took issue with the CFPB's efforts to limit payday loan rates, characterizing such limits as paternalistic and asserting that officials should not "second-guess" terms freely agreed to by lenders and borrowers.

In terms of specific legislative reforms, Calabria predicted that the administration will focus on subjecting the bureau to the regular congressional appropriations process as a way of increasing the agency's accountability. In addition, Calabria indicated that he expects that increased oversight will restrain the CFPB from announcing policy through enforcement actions.