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Redefining Banking: A Conversation on the CFPB's Proposed 1033 Rule

Payments Pros – The Payments Law Podcast

SPEAKERS

[Keith J. Barnett](#) | [Carlin A. McCrory](#)

In this episode of *Payments Pros*, Keith Barnett and Carlin McCrory are joined by Jordan Wright, CEO of Atomic Financial, to discuss the Consumer Financial Protection Bureau's (CFPB) proposed 1033 rule. This rule aims to limit the misuse or sale of consumer data, and is expected to be finalized by summer 2024.

Jordan highlights the importance of data portability in banking, comparing it to the telecommunications industry's phone number portability. He suggests that the rule will increase competition, forcing banks to offer better services to retain customers.

The proposed 1033 rule requires financial institutions, starting with the largest, to make consumer data, including bill pay data, accessible to third parties and consumers. This may necessitate significant architectural changes and costs, but ensures consumers' legal right to share their data without incurring unnecessary fees.

The discussion concludes with Jordan forecasting that the proposed 1033 rule will enhance banking services by fostering competition and simplifying the process for customers to switch banks. He foresees the emergence of earned wage access products as a tool to assist individuals in better financial management. Additionally, Jordan supports the secondary use of data for personalized financial advice and advocates for the rule's extension to encompass payroll and merchant data.

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