

Consumer Financial Protection Bureau
1700 G Street NW
Washington, D.C. 20552



October 29, 2020

Briefing memorandum for the Director

Taskforce on Federal Consumer Financial Law Monthly Check-in

DATE	Thursday, October 29, 2020
TIME	10:00 am – 10:30 am Eastern
LOCATION	WebEx Audio and Visual
PARTICIPANTS	Matt Cameron, Assistant Director, OSM Todd Zywicki, Taskforce Chair Nat Weber, Taskforce Staff Director Tom Pahl, Deputy Director
STAFF CONTACT	Nat Weber, Staff Director, x [Redacted]
POLICY ASSOCIATE	Andrew Duke, Policy Associate Director, CEEA, x [Redacted]
DIRECTOR APPROVAL	Delicia Hand, Deputy Associate Director, CEEA, x [Redacted]

Objective

The primary objective of this meeting is to provide you with a status update related to the Taskforce on Federal Consumer Financial Law's (Taskforce) work.

Timing Considerations

The Taskforce governance documents state that the Director or her designee will hold monthly check-in meetings with the Taskforce Chair and the Staff Director, but there are no specific deadlines or other timing considerations to consider for this meeting.

Background

The Taskforce was created in January 2020 and has now entered its tenth month of work. To fulfill the Taskforce's mission, the members and support staff will generate a two-volume report, which will be informed by the public, meeting with Bureau experts, and leveraging members' past insights and expertise. Volume I of the report will analyze data regarding the benefits and costs of consumer financial products and services and review the existing consumer financial regulatory framework to develop a common understanding of the history and current state of federal consumer financial laws and their influence on the marketplace. Volume II will contain recommendations for improvements to the consumer financial system.

Pursuant to the Taskforce Roles and Responsibilities document, the Staff Director and Taskforce Chair will hold a monthly check-in with the Director to provide status updates on its work. This is the ninth monthly check-in with the Staff Director and Taskforce Chair. You last met with the Taskforce Chair and Staff Director at the September 24 Monthly Check-in. This month's check-in focuses primarily on the progress of Volume II's recommendations (see **Tab 2**) and the next phase of the Taskforce's work which includes the rapidly approaching report finalization and publication. This phase involves clearance of the report by limited offices within the Bureau and subsequent introduction of the report Bureau wide, and to partners throughout the federal regulatory community, via a socialization process (see **Tab 4**). Another discussion item will be the Taskforce ramp down as its yearlong mission approaches closeout (see **Tab 4**).

Below is a brief update that the Staff Director and Chair will expound upon during the monthly check-in. This check-in will be conducted via WebEx Audio and Visual and the preference is for you to turn your camera on.

Report Progress

- After the Taskforce weeklong meeting in mid-September, the Taskforce gathered repeatedly over the past month to work on the report's two volumes. The Taskforce held discussions the mornings of September 29, October 20 and 27. Over the week commencing October 5, the Taskforce met every day except Wednesday. The bulk of activity in all of these meetings involved Volume II recommendations with the October 27 discussion focused on Chapter 6 - Consumer Credit Regulator Principles and Chapter 11 - Privacy and Data Security.

- Thus far, the Taskforce has addressed nearly 100 potential recommendations. Recommendation ideas originated from within the Taskforce and with outside stakeholders. The engagement plan developed in the Taskforce's early months of operation has proved useful as stakeholders, including the public, as well as state and federal regulators, have all made worthy suggestions.
- The process used by the Taskforce for vetting potential recommendations is for members to discuss an idea, tease out the details, and if unanimous agreement is reached on a proposal, turn the recommendation over to staff to prepare the recommendation for inclusion in the report. Both approved and passed over recommendations are tracked in a recommendation dashboard. The dashboard will live on as an archive of the overall effort for review in the future by interested parties.
- Next steps for the report include passing through copy edit, clearance, and socialization phases.
- Considering the importance of the report, the Taskforce will use a professional copy editor to prepare the report for publication. A contract for this service is reaching final stages as the Staff Director works with Bureau procurement.
- The report will run through a modified internal clearance process with participation limited to only the Front Office and the Legal Division (see **Tab 4**). The process will include legal review for accuracy and technical feasibility of the report's content.
- Socialization of the report with other Bureau offices will occur in early December (see **Tab 4**). Other federal regulators will be introduced to the report soon after but before final publication.

Taskforce Engagements & Interactions

- The Taskforce met with five of CFPB's federal regulatory partners since the last monthly check-in. The listening sessions went well and produced sixteen potential recommendations that are being addressed by the Taskforce.
- The Taskforce held sessions with the Federal Reserve Board, the Small Business Administration, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Department of Justice Antitrust Division.
- With these meetings, the Taskforce completed its overall engagement and outreach plan as described in **Tab 3**. Depending upon finalization of the report's socialization plan that commences in December, further outreach may occur to bring some stakeholders up to speed about the report's contents.

- The Taskforce recently held meetings with and obtained information from two Bureau groups to access specialized in-house knowledge. OFLEO staff spent time with the Taskforce on September 29 and SEFL's Bryan Schneider and Peggy Twohig provided information on October 9.

Taskforce Closeout

- The Taskforce was established as a one-year endeavor. As its year draws closer to its end, final events are upon us. As noted above these activities include copy edit of the report, Bureau clearance, and socialization as appropriate with outside stakeholders.
- Final publication of the report will be followed shortly thereafter with formal resignation of the Taskforce members from their appointments. These two events are currently foreseen as taking place sometime in the latter portion of December 2020 or early January 2021.
- Taskforce staff members are beginning to roll off the project as early as next month (see **Tab 4**). David Hixson, Senior Counsel on the Taskforce and longtime Bureau employee, will step away November 13. He is moving on to his dream job at the Department of Justice where he will conduct consumer protection litigation. Ross Rutledge, detailee to the Taskforce as Senior Advisor and Economist, will return to his work at the Department of Transportation in November.
- Other staff is expected to remain on-board at least through publication of the report.

Attachment

Tab 1: Volume I Progress Report.

Tab 2: Volume II Progress Report.

Tab 3: Taskforce External Engagement Strategy.

Tab 4: Taskforce Report Clearance Through Ramp Down

Tab 5: Taskforce Key Points Document.