

Volume 1: Detailed Outline

- I. Introduction **(Tom)**
 - a. The National Commission on Consumer Finance
 - b. The scope of the Taskforce report
 - c. The Big Question
 - d. Appendix: Recommendations of the NCCF in 197
- II. Extent and Growth of Consumer Credit **(Tom)**
 - a. Development of consumer credit economy
 - b. History up to present
 - c. Data on growth
 - i. Time series/cross sections
 - d. Growth in access
 - e. Measures of debt
- III. Demand for Consumer Credit **(Tom)**
 - a. Why consumers use credit
 - i. Demand curve
 - b. Life-cycle of borrowing
 - c. Investment purposes
 - i. Washing machine example
 - ii. Auto loans
 - d. Income smoothing
- IV. Supply of Consumer Credit **(Greg & Tom)**
 - a. Intermediation
 - b. Costs of lending
 - c. Revenues
 - d. Breakeven APRs
 - e. Pricena & competition
- V. Small Dollar **(Greg, Tom, Todd, & Howard)**
 - a. There is no solution
 - b. Juster and Shay: Credit rate meaning
 - i. *Please note I may have errored in transcribing “rate meaning” (however, when I Googled the term a study by Thomas A. Durkin was my top result!)*
 - c. Lifecycle
 - d. Cycle of “Debt”/ “Debt Trap”
 - e. History: Competition & Regulatory Segmentation

VI. Information and Disclosure (**Howard**)

- a. Costs of Information and imperfect information
- b. Markets for information
 - i. Consumer Credit Cards (e.g., creditcards.com)
- c. Information asymmetry
- d. Transaction costs
- e. TILA
 - i. Reduced costs of shopping

VII. Consumer Credit Regulator Principles (**Todd**)

- a. Three-legged stool (competition, common law, regulation)
- b. Rise of Federal Presence
- c. Sources of market failure
 - i. Information asymmetry
 - ii. Market power/markets where consumers don't choose
 - 1. Debt Collection
 - 2. Credit Reporting Agencies
 - 3. Mortgage Servicers
 - iii. Externalities
- d. Tools
- e. Rational default

VIII. Competition (**Bill**)

- a. Competition value
- b. Regulatory segmentation
- c. Dodd-Frank (adverse impact → promoting consolidation)
 - i. Competition promoted product improvement and innovation
- d. FinTech / New competitive landscape
- e. Competition/innovation
 - i. Walmart

IX. Innovation (**Bill**)

- a. FinTech: Potential & Risk
- b. Open banking
- c. Regulatory Framework
 - i. Flexible regulatory framework for innovation
- d. Principled v. Prescriptive
 - i. Cooperative Regulator
 - 1. Potential for partnering between regulatory and trade for market improvements
 - 2. Tech sprints
 - ii. Regulatory sandbox
- e. Regulatory modernization
- f. Alternative data

- X. Financial Inclusion **(Todd)**
 - a. Importance and why it matters
 - b. Market incentives to expand access
 - i. Credit scoring
 - ii. Competition
 - c. Regulations Expand Access: Equal Credit Opportunity Act
 - d. Regulations that block access
- XI. Privacy and Data Security **(Howard)**
 - a. Use of data
 - i. Costs and benefits
 - b. Price discrimination (virtues and concerns)
 - c. Data breaches
 - d. Payment security
 - e. Fortress mentality/Big Data
 - f. Global Data Protection Regulation (GDPR)
 - g. Alternative data: Secondary uses of data
 - h. Credit Reporting
- XII. Financial Literacy and Education **(Greg and Todd)**
 - a. What consumers should know
 - b. Heuristics
 - c. Savings
 - d. Effectiveness
- XIII. Regulatory Modernization Framework **(All, to be flushed out more)**
 - a. Interagency
 - i. Current state: Considerations of overlaps & gaps, overlap, gaps
 - b. Federalism
 - c. Competitive mandate
 - d. Regulations as code/Tech Sprint/Sandboxes