

March 26, 2020

Briefing memorandum for the Director

Taskforce on Federal Consumer Financial Law Monthly Check-in

DATE	Thursday, March 26, 2020
TIME	10:30 am – 11:00 am
LOCATION	Conference Line: 517-308-1501 Leader code: Redacted Participant code: Redacted
PARTICIPANTS	Matt Cameron, Taskforce Staff Director Todd Zywicki, Taskforce Chair Kirsten Sutton, Chief of Staff Leonard Chanin, Acting Deputy Director
STAFF CONTACT	Matt Cameron, Taskforce Staff Director, x Redacted
POLICY ASSOCIATE DIRECTOR APPROVAL	Andrew Duke, Policy Associate Director, EA & CEE, x Redacted

Andrew Duke
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Andrew Duke
Date: 2020.03.25
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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.

Background

The Taskforce will (1) examine the existing legal and regulatory environment facing consumers and financial services providers; and (2) report its recommendations for ways to improve and strengthen consumer financial laws and regulations, including recommendations for resolving conflicting requirements or inconsistencies, reducing unwarranted regulatory burdens in light of

market or technological developments, improving consumer understanding of markets and products, and identifying gaps in knowledge that should be addressed through future Bureau research.

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. The Staff Director will utilize the attached milestone schedule in tab 1 to discuss accomplishments to date, work currently in-progress, planned work, and risks that the team is working to mitigate. The Taskforce Chair will use the attached Chapter Outline in tab 2 to discuss the evolution of the report's contents since the first monthly check-in when initial thoughts on the report's scope was shared. The Chair will also share requests for resource support as well as any support needed in addressing dissent.

This is the second monthly check-in with the Staff Director and Taskforce Chair. The last interaction with all the Taskforce Members was briefly before the March 12, 2020 Listening Session with trade and consumer advocacy organizations (notes from the Listening Session are provided in tab 3). Additionally, by the time of this check in, the Taskforce's Request for Information (RFI) should be out to the public. Below is a brief update that the Staff Director and Chair will expound upon during the monthly check-in.

Support Staff

- Interviewing and onboarding staff continues to be the team's current top priority as work generated by the Taskforce is picking up exponentially.
- Since the last monthly check-in the team has:
 - onboarded one attorney-advisor;
 - hired a second attorney-advisor on a one-year term appointment;
 - extended an offer to an internal candidate for the Paralegal position; and
 - made progress with an external candidate for the Special Advisor position.

External Engagement

- Jean Noonan, a member of the Taskforce took the lead on developing a Request for Information (RFI). The RFI was submitted to the Front Office on March 19, 2020 and should be open for public comment from March 24 through May 20, 2020.

- On March 12, 2020, the Taskforce worked with partners in External Affairs (EA) to host a listening session with Bureau stakeholders to seek input on their work ahead. The listening session was closed press, off the record, not for attribution in social media, and open to invitees only. Future engagements with the Advisory Committees will be open to the public and are scheduled for June 18, 2020.
- Deliberations are ongoing as to whether individual meetings with key stakeholders would add value to the report's recommendations. The group has an action item to provide you a list of stakeholders we would recommend interviewing, that list will be available next check-in.
- The Taskforce will engage with partners in External Affairs (EA) to begin conceptualizing intergovernmental engagements. The current recommendation is to arrange for meeting with National Association of Attorneys General (NAAG) and Conference of State Bank Supervisors (CSBS) to discuss strategies for improving interactions between Federal and state regulators. Likewise, the Taskforce intends to develop a strategy for engaging with the other Prudential Regulators to seek input to the report, and then to provide an advance readout on the report prior to it being released publicly. The goal for these engagements is mid- to late-summer.

Internal Bureau Meetings

- The Taskforce was onsite March 10-13, 2020 and had a productive set of meeting with teams around the Bureau, including Financial Education, Markets, Innovation, and Fair Lending. During the March meetings the Taskforce also finalized their request for information, adding an entire section based on the feedback provided during the March 12th Listening Session. The team also used the scope deliberations, which you reviewed during the February monthly check-in, to develop an in-depth outline of Volume I of the final report. All Taskforce members have been assigned different chapters according to their expertise.
- The Taskforce plans to complete its initial round of discovery sessions with Bureau offices when they are onsite which are scheduled April 27-29. The team is already making contingency plans if these meetings need to be postponed or moved to conference lines due to COVID-19.

Attachments

Tab 1: Taskforce Milestone Schedule Draft.

Tab 2: Draft Taskforce Chapter Outline.

Tab 3: March 12 Listening Session Notes.

Tab 4: Taskforce Key Points Document.

March 26 Monthly Check-In Summary

	Milestone	Target Deadline	Notes	Risks
1	Onboard Taskforce Members	January 2020	Orientation completed Jan. 31	Minor administrative requirements outstanding (trainings, badging, and background)
2	Onboard Taskforce Support Staff	March 2020	3 staff started, 2 identified and will soon start, 3 outstanding	Search for qualified Analyst, Special Advisor, and Economist could impact support to TF members
3	Define research approach and timeline	March 2020	A comprehensive list of topics and themes have been recorded, now the Members are refining topics and contents	Initial Table of Contents and assignments have been drafted
4	Request for Information (RFI)	April 2020	RFI submitted to Front Office on 3/18; tentative plan is for public comment period to last from 3/24 thru 5/20	Anticipate requests from public to extend comment period due to impacts of COVID-19
5	Stakeholder Roundtables	March 10, 2020	March 12 Listening Session with Stakeholders was a success, and helped inform the RFI	
6	Advisory Committee Listening Sessions	March 12-13, 2020	Since the Listening Session were moved, the team now intends to discuss feedback from RFI at June ABC meetings.	March Meetings impacted due to COVID-19; rescheduled for June 17-19.
7	Bureau Meetings	April 2020	Numerous meetings with Bureau stakeholders (Markets, Financial Education, Innovation, etc) were held from March 10-13.	Final meetings for initial discovery to occur when members are scheduled to be onsite 4/27-29.

Status Key

Not started	No risk
At risk	Delayed
Complete	Cancelled

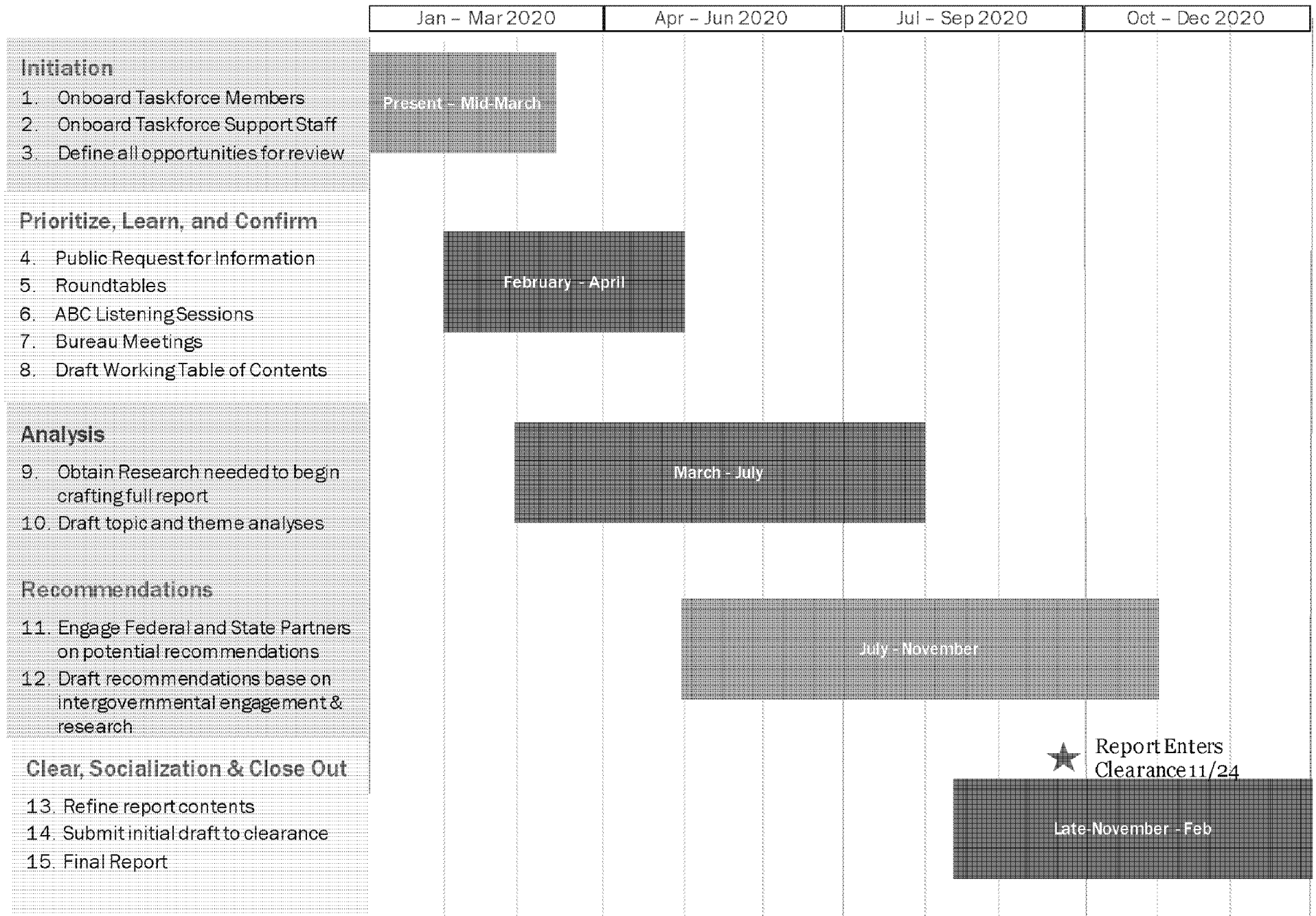
March 26 Monthly Check-In Summary

	Milestone	Target Deadline	Notes	Risks
8	Draft Working Table of Contents	April 2020	Updated Table of Contents included in Tab 2 of the briefing memo	Report contents will continue to evolve based on feedback from RFI and public listening sessions
9	Obtain all research needed to begin crafting full report	June 2020		Staffing delays have not yet impacted this milestone
10	Draft topic and theme analyses	August 2020	Team has assigned chapters for each Taskforce member to lead drafting, and intends to review initial drafts internally when members are onsite 6/17-19	Members are writing concurrently to avoid delays, but team will need to be mindful to ensure report does not read as though it was drafted piecemeal
11	Engage Federal and State Partners on potential recommendations	August 2020	Strategy for engagement to be developed	
12	Draft recommendations base on intergovernmental engagement & research	October 2020	Recommendations to be initially formulated while team is onsite 7/21-24, and refined when the team meets 9/15-18	
13	Refine report contents	November 2020	Team will be onsite 11/16-20 to conduct final revisions of report	
14	Submit initial draft to clearance	November 24, 2020	Team moved deadline from 11/17 due to planned vacation.	Chose 11/24 (opposed to 11/10) to create more separation between report delivery and election day

Status Key

Not started	No risk
At risk	Delayed
Complete	Cancelled

Milestone Schedule



High Level Schedule

	Jan 2021	Feb 2021	Mar 2021	Apr 2021
Socialization 16. Provide Prudential Regulators a readout 17. Provide Bureau Stakeholders a readout 18. Publish Report 19. Conduct outreach on legislative recommendations	January 2021 – End of February			
Closeout 20. Ensure records management requirements are met 21. Taskforce Members Offboarding 22. Director reviews report 23. Create actionable plan to implement Taskforce recommendations 24. Taskforce Support Staff Offboarding 25. Taskforce Charter Expires	Early January 2021 – Mid-March			

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 erred 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



Taskforce on Federal Consumer Financial Law Listening Session

*March 10, 2020
3:00pm to 5:00pm Eastern*

Participants: See roster below

Taskforce Participants: Todd Zywicki (Chair), J. Howard Beales III, Thomas Durkin, William Macleod, Jean Noonan

Taskforce Staff Participant: Matt Cameron

Readout: On Tuesday, March 10, 2020, the Taskforce on Federal Consumer Financial Law (Taskforce) met with stakeholders to hear ideas and perspectives on innovation, inclusion, competition, and modernizing the financial regulatory framework. Highlights from the meeting included:

What trends in financial technology or FinTech are you seeing today? How could these trends impact the marketplace ten to fifteen years from now? What might be the impact for consumers as the market evolves?

- One trend is that both sides are working together more in FinTech than they have in other areas. Everything is going mobile now, and people have the ability to conduct business and transactions without touching common surfaces. Open banking has promise for consumers, but with services being spread out among many players, there may be concerns about data security and protecting consumers' privacy.
- With mobile transactions, it is important to consider how to bring the traditional paper disclosure regime into the modern era, such as assessing how to provide information at the right time and in the right format. The Bureau has thus far not given institutions enough flexibility and, while the E-Sign Act was designed to promote electronic disclosures, it sometimes can be an impediment. Regulation Z provisions permitting electronic disclosures outside of the E-Sign process are worth looking into.
- The Bureau should look also at the content of disclosures, such as considering how consumers assess the cost of credit. APR is one measure, but some research shows that consumers look at the total costs.
- Mobile transactions and the collection and use of data raise concerns, such as potential discrimination. There are also concerns that there can be differences between the advertised terms and the actual terms of service for some products.

- The Bureau should be mindful of other regulatory guidance that affects markets, such as the Administration's recent guidance on artificial intelligence, and ensure a consistent and level playing field for both banks and non-banks. The Bureau should also consider how other Federal agencies are using data to inform policy, such as the Department of Transportation's approach regarding drones.
- The Bureau is in a unique position to encourage innovation and create a more transparent consumer protection regime by using its authority under Dodd-Frank Act section 1033, which could create generally applicable rules in a way that the GLBA and Regulation P have not.
- Initiatives such as the Bureau's Sandbox are helpful to allow banks to develop new products and services.
- On the other hand, consumer advocacy groups and others have concerns about initiatives such as the Sandbox, including that it may afford FinTech companies safe harbors without sufficient protections against consumer harm.
- In assessing these issues, the Taskforce needs to be neutral and consider the benefits and costs to both consumers and industry, as well as that the Bureau was created because no other financial regulator was focused on consumer protection.

Do you believe there are regulatory issues that should be addressed at the federal level to promote greater access to consumer financial products or services to underserved individuals and/or communities?

- Goal is to make sure that people who can afford loans actually get those loans. Alternative data sources can be useful if they are ECOA-compliant and structured enough so that they can be examined to ensure that they are not used discriminatorily. Consumers now have the ability to choose to provide some types of data that can improve credit score. State laws are the primary obstacles to consumer reporting agencies obtaining and using alternative data sources.
- House just passed comprehensive FCRA amendments that encourage the inclusion of alternate data. The legislative history and evidentiary record are informative, including Chi Chi Wu's testimony. For example, some evidence that utilities do not furnish accurate information, particularly in the Northeast. When considering different types of alternative data, note that some can be further afield from traditional financial data.
- Alternative data is not either all good or all bad. Sometimes the additional data can benefit consumers, but in other cases it could hurt their score.
- The Bureau's guidance on alternative data was helpful with respect to looking at transaction data, but more guidance is needed regarding discrimination.
- Consumers need a viable small-dollar alternative to payday loans both for financing needs and to build credit histories.
- Research is necessary on the need for, and harms arising from, small-dollar lending.
- Compliance costs of Bank Secrecy Act and anti-money laundering laws dwarf other consumer-protection costs and affect lower-income people in particular by restricting supply of bank accounts and remittance services. Lower-income consumers and immigrants regardless of income have more difficulty establishing their identity for purposes of obtaining services. Clearing times for payments affect prices and competition between providers, and too many people have to access workarounds (e.g., overdraft) to obtain funds. Helpful changes could include increasing the Bank Secrecy Act's threshold levels for remittances, using artificial intelligence to identify problematic

transfers, or establishing a central repository to which creditors could furnish information regardless of country.

- Some providers that are building products to target the underbanked deserve regulatory scrutiny.

Do you believe that promoting competition, innovation, and efficient markets can enhance consumer choice in the marketplace? Does the Bureau have a role in promoting competition while at the same time furthering its mission of consumer protection? Are there examples of state, Federal, or foreign regulators that have successfully balanced these goals?

- Federal regulators could promote competition if they treated compliance with State law as precluding a finding of unfairness under Federal law.
- Unlike the FTC and U.K. regulators, the Bureau does not have a straightforward competition mandate. Regulation is particularly appropriate to fill the void in markets where consumers cannot choose their provider (e.g., mortgage servicing). But competition is limited when services, such as payments services, are limited to banks and those with a relationship to a bank. By comparison, China's banking system is less functional but its payments systems are more advanced because they are not tied to banks.
- Mortgage market suffers from ant-competition forces, such as focusing enforcement of RESPA section 8 on banks and the LO Comp rules.
- Open banking would promote competition, as it has done in the U.K. and Canada. Data aggregators can collect a consumer's data and help identify other banking or investment options. However, providing bank-account access to a data aggregator could open a consumer up to theft or fraud and may limit a consumer's ability to seek remedies. A DFA section 1033 rule is one option but may not be necessary if the Bureau could address data-aggregator issues through guidance on and revisions to Regulation E and Regulation P, among others.
- Federal solution to data privacy issues is necessary, and it either parallels or comes before DFA section 1033 discussion.
- Consumer advocacy groups have also engaged with these issues and their analysis should be reflected in the Taskforce's work.

Do you believe there are gaps or conflicts in financial regulations; redundancies in financial regulations; or areas of financial regulation where additional clarity is needed. If so, what are they? And where are there opportunities for improved coordination between federal and state regulators, specifically from the perspective of regulated entities and consumers?

- Federal regulators should improve their coordination and MOUs. Duplicative supervision and examination can be challenging and burdensome, particularly when regulators have differing views. FinCEN's approach to coordination is worth considering.
- The Bureau should consider doing automated or data-based examinations, similar to how institutions have automated their internal reviews.
- Increased dialogue with State regulators could bridge knowledge gap and streamline regulation.
- Enforcement benefits from more consumer cops, and the Bureau's partnerships with States, the OCC, and others have been successful.
- Appears to be a consensus that credit repair organizations raise consumer protection concerns by charging upfront fees, charging subscription fees or services that consumers

maybe be able to do for themselves, and removing accurate information from credit reports, which, in turn, raises safety and soundness concerns. Credit repair organizations may be below the threshold for Bureau supervision, though the Bureau may have authority to supervise particularly risky actors. Foregoing concerns do not apply to financial counselors.

- Some just-in-time disclosures may work (e.g., a consumer receives an alert before sending money to someone for the first time).
- Consider looking at dark patterns that may steer people to options that are not in their interest. Also consider looking at whether disclosures are working, but disclosures alone are not enough without related substantive protections. APR can be a good measure for comparing loans, even for short-term or rent-to-own options.

Are there new areas of research that the Bureau should consider undertaking or expanding on in the consumer financial marketplace?

- The Bureau should study the error rate and the error-resolution rate for consumer reports. The FTC's 2012 study was the last comprehensive effort, and it showed pervasive and systemic errors.
- The Bureau should also research security freezes, including consumers' ability to lift a freeze and place a freeze at all three major credit bureaus, as well as how freezes compare to credit locks and if consumers readily understand the difference.
- Related consumer-reporting issue is how to address recent immigrants who may have good credit in their former country but no credit file in the U.S. and thus have a difficult time obtaining credit. Resolving this issue also would require protection against discrimination.
- Bureau should look at recent reports of redlining.
- Bureau has a tremendous research office and should utilize Office of Consumer Response for any information that has not been published. Likewise, the Bureau should look at the substantive outcomes of consumer complaints, such how often complaints result in meaningful change (e.g., a refunded fee or fixing a credit report), and whether different institutions are responding to complaints differently.
- Disclosure regime needs to be overhauled, and the Bureau should research what people need to know when they need to know it in order to make an informed decision. There is a question about who benefits from current disclosure regime, as in many cases it doesn't appear to be institutions or consumers.

Are there additional topics that the Bureau should consider reviewing or addressing?

- The Bureau should review the levels of restitution it is obtaining for consumers and how that has changed over time.
- The Bureau should consider its approach to student loans and how it works with the Department of Education. Student loans are made to some of the most vulnerable borrowers, who are also actively trying to improve their financial positions. The Bureau should consider its authority to oversee DOE-related loans.

Roster of Participants:

- *Francis Creighton, Consumer Data Industry Association*
- *Christine Hines, National Association of Consumer Advocates*
- *Anna Laitin, Consumer Reports*

- *Ed Mierzwinski, U.S. Public Interest Research Group*
- *Virginia “Ginny” O’Neill, American Bankers Association*
- *David Pommerehn, Consumer Bankers Association*
- *Naeha Prakash, Bank Policy Institute*
- *Garry Reeder, Financial Health Network*
- *Julie Stitzel, U.S. Chamber of Commerce*
- *Ruth Susswein, Consumer Action*
- *Scott Talbott, Electronic Transactions Association*
- *Celia Winslow, American Financial Services Association*

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Pre-decisional

Taskforce on Federal Consumer Financial Law

Key points

Key Point 1: The Taskforce on Federal Consumer Financial Law (Taskforce) will examine the existing legal and regulatory environment facing consumers and financial services providers.

- The Taskforce expects to take one full year in order to produce new research and legal analysis of consumer financial laws in the United States, focusing specifically on:
 - harmonizing, modernizing, and updating Federal consumer financial laws—and implementing regulations;
 - analyzing ways to improve consumer understanding of markets and products; and
 - identifying potential conflicts or inconsistencies in existing regulations and guidance.

Key Point 2: The Taskforce will develop a report containing recommendations for ways to improve and strengthen consumer financial laws and regulations.

- The report will include an analysis of the eighteen consumer laws and regulations currently under the Bureau's jurisdiction.
- Report recommendations will seek to:
 - resolve conflicting requirements or inconsistencies in existing consumer financial laws and regulations;
 - reduce unwarranted regulatory burdens in light of market or technological developments;
 - improve consumer understanding of markets and products; and
 - identify gaps in knowledge that should be addressed through future Bureau research.

Key Point 3: The Taskforce is in part inspired by an earlier commission established by the Consumer Credit Protection Act (Act) in 1968.

- The Act established the National Commission on Consumer Finance (NCCF) to conduct original research and provide recommendations relating to the regulation of consumer credit.

- The commission's report contained original empirical data, information, and analyses—all of which undergird the report's final recommendations. The data, findings, and recommendations from the commission were all made public and the report led to significant legislative and regulatory developments in consumer finance.
- The establishment of the Bureau follows decades of growth and innovation in financial offerings and credit products available to consumers nationwide since the 1972 NCCF report. Similar to the NCCF, the Taskforce provides an opportunity to provide a new perspective on consumer financial law within the context of recent developments and current products in the United States consumer finance markets.

Recent Bureau actions or announcements

- On October 11, 2019, the Bureau announced its intent to form the Taskforce via press release. <https://www.consumerfinance.gov/about-us/newsroom/cfpb-announces-taskforce-federal-consumer-financial-law/>.
- On January 9, 2020, the Bureau announced the appointment of four members to the Taskforce via press release. <https://www.consumerfinance.gov/about-us/newsroom/cfpb-announces-membership-taskforce-federal-consumer-financial-law/>.
- On January 17, 2020, the Bureau announced the appointment of one additional member to the Taskforce via press release. <https://www.consumerfinance.gov/about-us/newsroom/cfpb-announces-additional-member-to-taskforce/>.

Key Q&A

Q1: Why is there a lack of diversity in the Taskforce members? Why did you decide to make the Taskforce members staff and are you providing them with benefits?

A1: The Bureau established an internal process and a Selection Committee to review applications for service on the Bureau's Taskforce. The Bureau received interest from 89 individuals and 13 interviews were conducted. Based off the applicant pool of interested candidates, we believe the individuals selected will provide diverse perspectives, which will help the Bureau to protect consumers in the financial marketplace.

Selection of Taskforce members followed specialized hiring authorities and will require that members file confidential financial disclosure reports in accordance with the Ethics in Government Act, and members must comply with the conflict of interest statutes and the Standards of Ethical Conduct for Employees of the Executive Branch.

As Bureau staff, Taskforce members will have full access to the Bureau's resources, including data, information, and subject-matter experts, which will help the Taskforce carry out its mission. Taskforce members are scheduled to serve on an intermittent schedule and are paid at a set hourly rate. Taskforce members are not eligible to receive benefits, such as health care or retirement.

Q2: How do you foresee the Taskforce conducting a thorough review of all Federal Consumer Financial Laws given the one-year timeline and limitation on the number of days the Taskforce members are able to work?

A2: The Taskforce, as led by a Chair and a full time Staff Director, will direct, timebox, and continually prioritize their work. Bureau resources and a core group of Bureau employees will assist in the development of the report.

Q3: Will the Taskforce make decisions about Bureau functions such as regulation, supervision, enforcement, or any Bureau action?

A3: No. The Taskforce is an independent body that exists within the Bureau structure but operates outside of normal Bureau processes. It will provide recommendations through a final report that will be considered by the Director. Recommendations from the Taskforce do not bind the Bureau and all final decisions rest with the Director.

Q4: Is this Taskforce a Federal Advisory Committee?

A4: No. The Taskforce is an intragovernmental committee and not subject to the Federal Advisory Committee Act (FACA).

Q5: How much will the Taskforce cost?

A5: The Taskforce is forecasted to cost between \$2.5 to \$3 million. Much of the projected expense is attributed to salaries for both Taskforce members, who serve on an intermittent schedule and are paid at a set hourly rate, and a support staff of about seven to eight full time employees.

Bureau timeline

10/11/2019: Bureau announced Taskforce and opened application window.

10/25/2019: Application window closed.

1/9/2020: Bureau publicly announced Taskforce members.

1/29-31/2020: Bureau orientation conducted for Taskforce members.

Statutory authority

- Pursuant to the executive and administrative powers conferred on the Consumer Financial Protection Bureau ("Bureau" or "CFPB") by Sections 1013(a) and 1021(c) of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), the Director of the Consumer Financial Protection Bureau ("Director") establishes the Taskforce on Federal Consumer Financial Law ("Taskforce").

Factsheets & quick references

- [CFPB Announces Taskforce on Federal Consumer Financial Law](#)
- [CFPB Announces Membership of Taskforce on Federal Consumer Financial Law](#)

Other recent activity

- **Not applicable**

Background

The Taskforce members are:

- Dr. J. Howard Beales, III, Emeritus Professor of Strategic Management and Public Policy at the George Washington University and former Director of the Bureau of Consumer Protection at the Federal Trade Commission;
- Dr. Thomas Durkin, Senior Economist (Retired) at the Federal Reserve Board;
- William MacLeod, partner at Kelley Drye & Warren, LLP, Immediate Past Chair of the Antitrust Section of the American Bar Association, and former Bureau Director at the U.S. Federal Trade Commission;
- L. Jean Noonan, Partner at Hudson Cook, former General Counsel at Farm Credit Administration, and former Associate Director the Bureau of Consumer Protection's Credit Practice at the Federal Trade Commission; and
- Todd J. Zywicki, Professor of Law at George Mason University (GMU) Antonin Scalia Law School, Senior Fellow of the Cato Institute, and former Executive Director of the GMU Law and Economics Center.

Todd Zywicki is serving as the Chair of the Taskforce. Matt Cameron, Staff Director of the Office of Advisory Board and Councils, will also serve as Staff Director of the Taskforce.