

## 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 erreded 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