

Taskforce Member Orientation

TAB 6 – Taskforce Governance



Consumer Financial Protection Bureau
Charter of the Bureau's Taskforce on Federal Consumer Financial Law

1. Official Designation (Title).

Taskforce on Federal Consumer Financial Law.

2. 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").

3. Objective and Scope of Activities.

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.

4. Description of Duties.

The duties of the Taskforce are to provide an objective and independent evaluation, in the form of one consensus final report to the Director, of the Bureau's current regulatory framework. The findings should identify where there may be gaps or where regulation should be simplified or modernized to help the Bureau more effectively carry out the mission of protecting consumers.

5. Agency or Official to Whom the Taskforce Reports.

The Taskforce shall report to the Director of the Consumer Financial Protection Bureau.

6. Staff Director

The Staff Director is a full-time employee who shall ensure that the Taskforce operates in accordance with the terms of the charter, in addition to other responsibilities delegated by the Director. The Staff Director for the Taskforce will be designated by the Director.

7. Chair.

The Director will also appoint a Taskforce chair ("Chair"), who will approve or call all Taskforce meetings, prepare and approve all meeting agendas, attend all Taskforce meetings, and adjourn any meeting when determined to be in the public interest. The Chair will have authority over the final report or recommendation content that will be presented to the Director for approval. The Chair will be required to perform all necessary actions to produce the final report, including mediation of intra-group conflicts, reconciliation of opposing views to reach majority

consensus, and seeking support in addressing dissent, as needed, from the Staff Director. The Director or the Staff Director may appoint a Chair pro tem who shall preside at a meeting of the Taskforce in the absence of the Chair.

8. Support.

The Bureau's Office of the Director will facilitate support of the Taskforce's activities to the extent permitted by law and subject to the availability of resources. The Staff Director shall select employees to support Taskforce operations. Employees who will support the Taskforce will be appointed through internal and external details or hires. In selecting employees for these positions, the Staff Director shall seek to meet Taskforce resource and skill needs. Employees who may be selected to support the Taskforce may include, but are not limited to, a Chief of Staff, attorneys, advisors, economists, analysts, and paralegals. Bureau employees assigned to support the Taskforce will work to support the Chair's overall direction and report to the Staff Director.

Taskforce communication and interaction with other Bureau staff and Bureau resources will be facilitated by the Staff Director.

9. Estimated Number and Frequency of Meetings.

In coordination with the Staff Director and Chair, the Taskforce shall meet as frequently as necessary to complete the report within the timeframe provided by the Director. The Taskforce will also facilitate a process to solicit public comment and engagement on its work.

10. Duration.

The Taskforce is expected to operate from January 2020 until the final report is delivered to the Director. The Taskforce is expected to deliver findings to the Director no later than January 2021. This Charter will expire 90 days after the final report is delivered to the Director, unless renewed by appropriate action.

11. Memberships and Designation.

The Director shall select the members of the Taskforce. In selecting members to the Taskforce, the Director shall seek to assemble members who are consumer financial law experts and academics with diverse points of view, such as attorneys and economists with significant experience researching and analyzing consumer financial markets, laws, and regulations, and a record of involvement in research and public policy, including senior public or academic service. Additionally, members should be prominent experts who are recognized for their professional achievements and objectivity including those specializing in household finance, finance, financial education, public economics, econometrics, and law and economics; and experts from social sciences related to the Bureau's mission.

The Taskforce shall consist of approximately five members serving for the duration of the Taskforce. All members selected by the Director shall serve for the duration of Taskforce operation, unless extended by the Director. In the case of a Taskforce member's resignation or

removal from the Taskforce, the Director may select a replacement, in alignment with Section 11.

The Director will select Taskforce members to work for a temporary period of time using available non-competitive hiring authorities. Taskforce members will be expected to adhere to the conflict of interest statutes and Standards of Ethical Conduct for Employees of the Executive Branch, seek guidance from Bureau ethics officials when they perceive potential conflicts, and comply with Bureau confidentiality regulations.

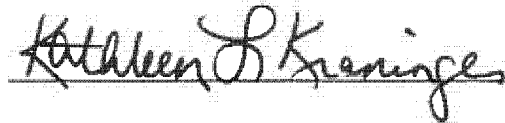
12. Recordkeeping.

The records created or received by the Taskforce will be maintained in accordance with the Bureau records retention policy.

13. Authorization Date.

The Taskforce is authorized to perform its duties upon signature by the Director.

Signed:

A handwritten signature in black ink, reading "Kathleen L. Kraninger". The signature is written in a cursive style with a horizontal line underneath.

Date: 11/08/2020

Kathleen L. Kraninger
Director
Consumer Financial Protection Bureau

Taskforce on Federal Consumer Financial Law

Roles and Responsibilities

2020 - 2021



Who serves on the Taskforce?

The Taskforce is a diverse group of experts in consumer financial protection. The Taskforce Charter provided specific considerations for the Director in selecting Taskforce members. In assembling the Taskforce, the Director looked for consumer financial law experts and academics with diverse points of view, significant experience in researching and analyzing consumer financial markets, laws, and regulations, and a record of involvement in research and public policy, including senior public or academic service. Additionally, the Director sought prominent experts who are recognized for their professional achievements and objectivity including those specializing in household finance, finance, financial education, public economics, econometrics, and law and economics; and experts from related social sciences related to the Bureau's mission.

The membership of the Taskforce on Federal Consumer Financial Law is:

- 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;
- 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 School of Law, Senior Fellow of the Cato Institute, and former Executive Director of the GMU Law and Economics Center.

What is the purpose of the Taskforce?

The Taskforce will examine the existing legal and regulatory environment facing consumers and financial services providers; and 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. The Taskforce will report its recommendations on ways to improve consumer financial laws and regulations to the Bureau Director.

The Taskforce may recommend that the Bureau take certain actions in the future, suggest studies or propose changes in a particular industry or market. While Taskforce discussions and any formal recommendations are very important to the Bureau, any decision to act in response to such recommendations rests solely with the Bureau Director.

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

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

How does the Taskforce interact with the Bureau?

The Taskforce Charter provides that the Director shall designate a Staff Director, who shall ensure that the Taskforce operates in accordance with the terms of the charter, in addition to other responsibilities delegated by the Director. Taskforce communication and interaction with Bureau staff and resources will be facilitated by the Staff Director.

The Director or her designee will hold monthly check-in meetings with the Taskforce Chair and the Staff Director. At this meeting, the Chair will update senior leadership on progress and, as needed, seek support in addressing dissent. The Staff Director will provide direction on day-to-day Taskforce operations. The Staff Director will facilitate access to Bureau data and processes, receive resource requests and work with Bureau stakeholders to consider and respond to those requests, and provide project management support to help the Taskforce meet its expected report delivery date. A designee of the Staff Director will serve as timekeeper for Taskforce members. Following report completion, the Front Office and senior staff will have time to review report language, in line with procedures for clearing reports by quasi-independent Bureau offices.

Will the Taskforce elect a Chair?

No. The Director shall appoint a Chair from among the members of the Taskforce. The Chair shall call to order and preside at all meetings of the Taskforce. The Director or the Staff Director

may appoint a Chair pro tem who shall preside at a meeting of the Taskforce in the absence of the Chair.

The Chair will play a vital role in the success of Taskforce operations and the effectiveness of Taskforce output. The Chair will have authority over the final report or recommendation content that will be presented to the Director for review. The Chair will be required to perform all necessary actions to produce the final report, including mediation of intra-group conflicts, reconciliation of opposing views to reach consensus, and seeking support in addressing dissent, as needed, from the Staff Director. The Chair will provide input to the Front Office through the Staff Director on resource needs, including staff and data, following consideration of available resources and consultation with Taskforce members.

When and where does the Taskforce meet?

The Taskforce will meet in person regularly as frequently as necessary to complete the report within the span of Taskforce operation.

Are Taskforce members paid?

Taskforce members will receive compensation in accordance with the Bureau's compensation program and the hiring authority used to bring them into the Bureau; they may also be reimbursed for additional expenses as appropriate, consistent with Bureau policy.

What are my responsibilities as a Taskforce member?

Through the Charter, the Taskforce may identify unique responsibilities for members. In general, the Taskforce members' responsibilities include, but are not limited to:

- Provide information, analysis, and recommendations to the Bureau.
- Work in a team setting and be open to discussing and understanding differing viewpoints.
- Give everyone a chance to speak and withhold judgment on an idea presented by others until it has a chance to be developed.
- Work to reconcile dissenting opinions to reach consensus on final report and recommendations.

How are meetings conducted?

The Staff Director will work with the Chair to identify the specific methods or requirements by which meetings are run and consensus decisions are reached.

How will the final report be drafted?

The Staff Director will work with the Chair to identify the specific methods or requirements by which report language will be drafted. Taskforce members will be assigned chapters individually or in groups, with support from Taskforce staff. Final report language will be reviewed by the Taskforce as a whole, with adoption by consensus.

How will the Taskforce navigate dissenting opinions?

The Taskforce will produce one final report. As such, there will be no option for concurring or dissenting reports. The Chair will mediate intra-group conflicts and work the group towards compromise in case of dissenting viewpoints. Members are expected to work in good faith to reconcile disagreements to reach consensus on one final report. In case of irreconcilable differences, the Chair can seek support from the Staff Director.

How long do members serve?

As appropriate and considering the particular hiring authority used to hire the Taskforce members, Taskforce members will serve for the entire duration of Taskforce operation. The Taskforce will operate from January 2020 until the final report is delivered to the Director. The Taskforce is expected to deliver findings to the Director no later than January 2021.

How long will the Taskforce last?

The Taskforce is expected to deliver findings to the Director no later than January 2021.

What is the Taskforce Charter?

The charter is the document that officially identifies the membership, duties, meeting requirements and any special instructions for the Taskforce.

Are Taskforce meetings open to the media and general public?

No. Given the day-to-day nature of Taskforce work, it would not be feasible for all Taskforce meetings to be open to public observation. The Taskforce will also facilitate a process to solicit

public comment and engagement on its work through a variety of methods such as seeking input through Requests for Information.

How can Taskforce members interact with the media and general public during Taskforce operation?

Taskforce members are subject to the Bureau's Confidentiality Regulations, 12 C.F.R part 1070. These rules prohibit Taskforce members from disclosing non-public Bureau information without authorization. These rules will apply to the Taskforce members beyond the duration of the Taskforce. In other words, Taskforce members are not permitted to disclose non-public Bureau information without authorization even beyond the duration of the Taskforce members' terms. In addition, Taskforce members are subject to the Bureau's policies concerning external speaking engagements and media inquiries. Taskforce members are not permitted to interact with the media and general public about matters specific to the Taskforce outside of Bureau-sponsored engagements for the duration of the Taskforce.