

Taskforce on Federal Consumer Financial Law

Department of Housing and Urban Development

I. Summary:

The Taskforce on Federal Consumer Financial Law (Taskforce) will examine the existing legal and regulatory environment facing consumers and financial services providers and report to Director Kraninger its recommendations for ways to improve and strengthen consumer financial laws and regulations. The Taskforce will produce new research and legal analysis of consumer financial laws in the United States, focusing specifically on harmonizing, modernizing, and updating the enumerated consumer credit laws—and their implementing regulations—and identifying gaps in knowledge that should be addressed through research, ways to improve consumer understanding of markets and products, and potential conflicts or inconsistencies in existing regulations and guidance.

During our meeting, the Taskforce Chair is interested in discussing ideas and perspectives from the Department of Housing and Urban Development (HUD) about recommendations the Taskforce can propose on how to improve and strengthen federal consumer financial protection considering ideas of innovation, inclusion, competition, and modernization of the regulatory framework.

II. Discussion Questions:

Below are a few questions to help facilitate the discussion but should not limit the discussion to these questions.

1. **Legal framework of consumer protection:** Consumer financial protection is promoted by a framework of laws, regulations, decisions, directives, regulatory policies, guidelines, recommendations and procedures made by numerous state and federal regulatory organizations.
 - Are there areas in which existing consumer protection laws are inadequate or need to be strengthened to ensure consumers are adequately protected?
 - How can the Bureau use its regulatory tools of rulemaking, enforcement, supervision, and education effectively to maximize consumer welfare?
 - What is HUD's current position on the use and value of disparate impact versus disparate treatment in the work of promoting consumer protection? Is there a consumer benefit to an organization like CFPB coordinating with HUD to commenting on or providing any clarifications on the matter of disparate impact?
 - What type of assistance from other regulators would be most helpful to HUD in advancing the policy goals of the Fair Housing Act?
2. **Consumer information and education:** Financial mobility and empowerment is enhanced by increases in formal education, financial education, and consumer choice. This is particularly true with vulnerable and protected populations.
 - What actions can the Federal government take to enhance financial mobility?
 - How does HUD measure the effectiveness of its education efforts? What types of financial education and/or literacy programs have been most successful?
 - What information does the HUD have regarding financial mobility? What actions does the organization take in order to promote financial mobility? Are there areas for improved coordination between the CFPB and HUD?

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- 3. Inclusion and access:** Access to credit is a driver for wealth creation.
- Are there regulatory issues that should be addressed at the federal level to promote greater access to consumer financial products and/or services to underserved or unbanked individuals?
 - What do we know about why consumers are outside the financial system? What do you think are the primary barriers to inclusion, and what public policies would reduce them?
 - How do potential new entrances (e.g. Fintechs or traditionally non-financial companies) play a role to increase inclusion?
 - What roadblocks does HUD hope to overcome in its efforts to expand access to mortgages and homeownership?
- 4. Closing:** Our intention is to hear what recommendations you would hope to see in the Taskforce report. What haven't we asked that you want to share?

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