

Division Updates

Division of Consumer Education and External Affairs – Office of Stakeholder Management

October 7, 2020

Taskforce on Federal Consumer Financial Law & Intergovernmental Affairs

During the week commencing Monday, September 28, 2020, members and staff of the Taskforce on Federal Consumer Financial Law (Taskforce) met with representatives from the Federal Reserve Board (FRB), the Small Business Administration (SBA), and the Federal Deposit Insurance Corporation (FDIC). The conversations took place as part of the Taskforce's state and federal engagement plan and in general, focused on the five pillars of the Taskforce's report: the legal framework of consumer protection, consumer information and education, competition and innovation, inclusion and access, and regulatory modernization. Some details follow:

FRB: FRB attendees included Director of Supervision and Regulation Michael Gibson and Director of Consumer and Community Affairs Eric Belsky. Four potential recommendations for the Taskforce to consider arose from the discussion that focused on the Taskforce areas of concern: regulatory modernization and flexibility, consumer information and education, and competition and innovation.

SBA: SBA attendees included Chief of Staff and Associate Administrator for Capital Access Bill Manger and Senior Advisor Rob Casapoola. Though no specific recommendations were developed during the conversation the Taskforce validated premises about inclusion and access to credit for borrowers underserved by the traditional lending system.

FDIC: The Deputy to the Chairman Leonard Chanin attended as the sole FDIC representative. As expected in a meeting with FDIC, the conversation focused on the interplay of depository institutions with issues of inclusion, competition, and consumer information. The Taskforce took four potential report recommendations from the meeting relating to standardized bank disclosures; the relationship between safety and soundness and consumer protection (specifically with respect to the Credit Card Act); depository insurance for FinTechs who partner with traditional banks for payment purposes; and a research opportunity regarding why FinTech's are partnering with traditional banks in general.