Volume 1: Detailed Outline

I. Introduction **(Tom)**
   a. History of Consumer Financial Protection Reform Efforts
      i. Early History: The Russell-Sage Foundation
      ii. The National Commission on Consumer Finance
   b. The scope of the Taskforce report
   c. Summary of the Taskforce Findings and Recommendation
   d. Appendix: Recommendations of the NCCF in 1972

Status: First draft reviewed and undergoing final edits

II. Extent and Growth of Consumer Credit **(Tom)**
   a. Development of consumer credit economy
   b. Consumer Credit Growth
   c. Consumer Credit Growth and Means of Repayment
   d. Distribution of Consumer Credit Within the Population
   e. Measurements of Consumer Credit

Status: First draft reviewed and undergoing final edits

III. Demand for Consumer Credit **(Tom, Todd)**
   a. Neoclassical Economic Theory of Consumer Credit Demand
      i. Life-cycle model
      ii. Time-shifting of consumption model
      iii. Evidence
   b. Behavioral Economics Theory of Consumer Credit Usage

Status: First draft reviewed and undergoing final edits

IV. Supply of Consumer Credit **(Greg & Tom)**
   a. Intermediation
   b. Costs of lending
   c. Revenues
   d. Breakeven APRs
   e. Price & competition

Status: First draft reviewed and undergoing final edits

V. Small Dollar **(Greg, Tom, Todd, & Howard)**
   a. There is no solution
   b. Juster and Shay: Credit rationing
   c. Lifecycle model
   d. Cycle of "Debt"/ "Debt Trap"
   e. History: Competition & Regulatory Segmentation

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VI. Consumer Credit Regulator Principles **(Todd)**
- a. History of consumer financial protection
  - i. State regulation: Substantive regulation
  - ii. Federal regulation: Disclosure regulation
  - iii. Dodd-Frank
- b. Three-legged stool (competition, common law, regulation)
- c. Rise of Federal Presence
- d. 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
- e. Evaluating Regulation
- f. Measuring regulation

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VII. 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
  - ii. Reduced costs of shopping

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VIII. Competition **(Bill)**
- a. Competition value
- b. Regulatory segmentation
- c. Dodd-Frank (adverse impact → promoting consolidation)
  - iii. Competition promoted product improvement and innovation
- d. FinTech / New competitive landscape
- e. Competition/innovation
  - iv. Walmart

Status: Annotated outline peer reviewed; updates and draft in-progress

IX. Innovation **(Bill)**
- a. FinTech: Potential & Risk
- b. Open banking
- c. Regulatory Framework
  - v. Flexible regulatory framework for innovation
- d. Principled v. Prescriptive
  - vi. Cooperative Regulator
    1. Potential for partnering between regulatory and trade for market improvements
    2. Tech sprints
  - vii. Regulatory sandbox
- e. Regulatory modernization
- f. Alternative data

Status: Annotated outline peer reviewed; updates and draft in-progress

X. Financial Inclusion **(Todd)**
- a. Importance and why it matters
- b. Market incentives to expand access
  - viii. Credit scoring
  - ix. Competition
- c. Regulations Expand Access: Equal Credit Opportunity Act
- d. Regulations that block access

Status: Detailed outline peer reviewed; updates and draft in-progress

XI. Privacy and Data Security **(Howard)**
- a. Use of data
  - x. 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

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XII. Financial Literacy and Education **(Greg and Todd)**

a. Financial Empowerment
b. Wealth Mobility
c. Student Loans and deficits of the system
d. Behavioral Economics
e. Effectiveness

Status: Detail outline complete; draft in-progress

XIII. Regulatory Modernization Framework **(All, to be fleshed out more)**

a. Interagency
    xi. Current state: Considerations of overlaps & gaps, overlap, gaps – CFPB is the expert in consumer financial protection and has the overall view of consumer welfare with a broad view across markets
b. Federalism
c. Regulatory Modernization
d. Regulatory Effectiveness

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