



441 G St. N.W.  
Washington, DC 20548

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July 1, 2019

The Honorable Mike Crapo  
Chairman  
The Honorable Sherrod Brown  
Ranking Member  
Committee on Banking, Housing, and Urban Affairs  
United States Senate

The Honorable Maxine Waters  
Chairwoman  
The Honorable Patrick McHenry  
Ranking Member  
Committee on Financial Services  
House of Representatives

Subject: *Bureau of Consumer Financial Protection: Payday, Vehicle Title, and Certain High-Cost Installment Loans; Delay of Compliance Date; Correcting Amendments*

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Bureau of Consumer Financial Protection (Bureau) entitled "Payday, Vehicle Title, and Certain High-Cost Installment Loans; Delay of Compliance Date; Correcting Amendments" (RIN: 3170-AA95). We received the rule on June 17, 2019. It was published in the *Federal Register* as a final rule; delay of compliance date; correcting amendments on June 17, 2019. 84 Fed. Reg. 27907. The effective date of the rule is August 16, 2019.

The final rule delays the August 19, 2019, compliance date for the mandatory underwriting provisions of the regulation promulgated by the Bureau in November 2017 governing Payday, Vehicle Title, and Certain High-Cost Installment Loans. Compliance with these provisions is delayed by 15 months, to November 19, 2020. According to the Bureau, it is also making certain conforming changes and corrections to address several clerical and non-substantive errors it identified in the November 2017 rule.

Enclosed is our assessment of the Bureau's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. If you have any questions about this report or wish to contact GAO officials responsible for the evaluation work relating to the subject matter of the rule, please contact Janet Temko-Blinder, Assistant General Counsel, at (202) 512-7104.

signed

Shirley A. Jones  
Managing Associate General Counsel

Enclosure

cc: Daniel Kanter  
Counsel, Legal Division  
Bureau of Consumer Financial Protection

REPORT UNDER 5 U.S.C. § 801(a)(2)(A) ON A MAJOR RULE  
ISSUED BY THE  
BUREAU OF CONSUMER FINANCIAL PROTECTION  
ENTITLED  
“PAYDAY, VEHICLE TITLE, AND CERTAIN HIGH-COST INSTALLMENT LOANS;  
DELAY OF COMPLIANCE DATE; CORRECTING AMENDMENTS”  
(RIN: 3170-AA95)

(i) Cost-benefit analysis

In developing this rule, the Bureau of Consumer Financial Protection (Bureau) considered the potential benefits and costs as required by section 1022(b)(2)(A) of the Dodd-Frank Act. 12 U.S.C. § 5512(b)(2)(A). The Bureau explained that the annualized quantifiable benefits and costs of rescinding the Mandatory Underwriting Provisions of the 2017 Final Rule are detailed in the section 1022(b)(2) analysis found in its Reconsideration Notice of Proposed Rulemaking (Reconsideration NPRM). 84 Fed. Reg. 4252, 4285-4294 (Feb. 14, 2019). Under this rule here to delay the August 19, 2019, compliance date for the Mandatory Underwriting Provisions, the Bureau states that the annualized benefits and costs will be realized for a period of 15 months. Additionally, the Bureau states that unquantified benefits and costs are described in the Reconsideration NPRM’s section 1022(b)(2) analysis, and those benefits and costs will also be realized for 15 months. The Bureau further determined that the rule here will have minimal effects on depository institutions and credit unions with less than \$10 billion in assets. Finally, the Bureau concluded that delaying the compliance date will not reduce consumer access to consumer financial products and services, and it may increase all consumers’ access by delaying the point at which covered firms implement changes to comply with the 2017 Final Rule’s Mandatory Underwriting Provisions.

(ii) Agency actions relevant to the Regulatory Flexibility Act (RFA), 5 U.S.C. §§ 603-605, 607, and 609

The Bureau concluded that the rule will not have a significant economic impact on a substantial number of small entities and that an RFA analysis was not required.

(iii) Agency actions relevant to sections 202-205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532-1535

As an independent agency, the Bureau is not subject to the Act.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551*et seq.*

On February 14, 2019, the Bureau published in the *Federal Register* its Reconsideration NPRM, and also a notice on whether it should delay the compliance date for those provisions (Delay NPRM). 84 Fed. Reg. 4252; 84 Fed. Reg. 4298. The comment period for the Delay NPRM closed on March 18, 2019, and the Bureau received approximately 150 comment letters from individuals, consumer activity groups, a group of state attorneys general, depository and non-depository lenders, tribal governments, national and regional trade associations, service

providers, the Small Business Administration's Office of Advocacy, legislative and executive branch state government officials, and others. The Bureau reviewed all comments submitted in response to this rule, provided brief summaries of the relevant comments, and provided responses in this final rule.

Paperwork Reduction Act (PRA), 44 U.S.C. §§ 3501-3520

The Bureau determined that this rule would not impose any new recordkeeping, reporting, or disclosure requirements on members of the public that would constitute collections of information requiring approval under PRA.

Statutory authorization for the rule

The authority cited is 12 U.S.C. §§ 5511, 5512, 5514(b), 5531(b), (c), (d), and 5532.

Executive Order No. 12,866 (Regulatory Planning and Review)

As an independent agency, the Bureau is not subject to the Order.

Executive Order No. 13,132 (Federalism)

As an independent agency, the Bureau is not subject to the Order.