

**The George Washington University**  
**Trachtenberg School of Public Policy and Public Administration**  
**PPPA 6061.10**  
**Banking and Financial Institutions Policy**  
**Spring 2020 Syllabus**  
*As of November 12, 2019*

**Time:** 6:10 p.m. – 8:00 p.m., Mondays  
**Location:** TBD

Professor: Joseph Firschein  
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**Course Description:**

This course examines the broad range of policy issues applicable to banking and financial institutions -- including those related to monetary policy, financial stability, consumer protection, and community reinvestment. This area includes a number of questions that are at the forefront of the current national policy debate about the appropriate role of government and how best to regulate financial institutions and financial markets. Key questions include the following:

- What were the key provisions enacted in 2010 as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act (DFA) and what are alternative perspectives on the likely effectiveness of these provisions in preventing future financial and mortgage crises?
- Are some banks still “too big to fail” and, if so, what are alternative policy solutions that have been proposed to address this problem?
- What is the structure of consumer financial protection post-DFA and what are alternative perspectives on the consumer protection policies that are now in place related to mortgage lending and payday lending?
- What are the key policy issues associated with the Community Reinvestment Act that requires banks to meet the credit needs of the communities that they serve?
- How has technology and innovation changed the banking and financial services sector and what are the implications of these changes for public policy?

The course is designed to be a general survey of these issues for students with different levels of work experience and career interests. It is appropriate for students interested in policy roles at a wide range of public and private sector organizations, including at federal banking regulatory agencies such as the Federal Reserve, the Office of Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Consumer Financial Protection Bureau; at executive agencies such as the U.S. Treasury Department or Small Business Administration; in federal or state legislative policy organizations; at consumer or community development organizations; and in the financial

services industry or at industry trade associations. The course also is appropriate for any student interested in regulatory policy generally given parallels between bank regulation and other regulatory policy areas. Although the course includes a discussion of finance and banking terms commonly used by regulators, financial institutions, and public sector agencies that work with the financial services sector, no previous finance or banking experience is required.

**Course Prerequisites:** None

**Required Texts:**

- 1) Acharya, V. et al. *Regulating Wall Street: The Dodd-Frank Act and the New Architecture of Global Finance* (Wiley Finance). 2011. ISBN-13: 978-0470768778. The text can be obtained via [Amazon](#) and is also available via the campus bookstore.
- 2) Immergluck, D. *Foreclosed: High-Risk Lending, Deregulation, and the Undermining of America's Mortgage Market*, with a New Preface. Paperback Edition. 2009. ISBN-13: 978-0801477140. The text can be obtained via [Amazon](#) and is also available via the campus bookstore.

For other required readings available for free via the web, see details below under each class. Note that in addition to the required class readings, in some cases there are a number of “additional optional readings.” These readings are for students seeking additional information on a particular topic.

**Student Learning Outcomes:**

As a result of completing this course, students will be able to:

1. Describe the history of major U.S. banking and financial regulation and deregulation prior to the enactment of the Dodd-Frank Act in 2010;
2. Identify alternative perspectives on the problems with the financial regulatory framework leading up to the mortgage and financial crisis of 2007-2008;
3. Understand the key changes enacted as part of the Dodd-Frank Act, including provisions related to financial stability, systemic risk, and consumer protection;
4. Understand and evaluate alternative perspectives on the Federal Reserve’s monetary policy actions and the policy debate over the appropriateness of Fed’s “dual mandate” compared to potential alternatives used by other central banks;
5. Describe and analyze the role that technology and innovation has played in the banking and financial services sector and the impact of this change for public policy;
6. Identify the key provisions and policy issues associated with the Community Reinvestment Act (CRA); and
7. Understand the history of consumer protection regulation in the financial services sector, including consumer issues related to the regulation of high-risk mortgage lending.

**Class Requirements and Grading:**

Students are expected to complete the following requirements:

1. **Class Participation (15%):** Regular course attendance is required. The class participation grade will be based on student participation in the class discussions of the assigned required readings and cases. It will also be based on student understanding of the assigned required readings as indicated by class discussions. In class, students should be prepared to discuss the assigned required readings and may be called on to answer questions or summarize assigned articles and cases. In addition, the class participation grade may include results from short quizzes on the assigned readings. Note: students will not be expected to read the “additional optional readings” listed on the syllabus for some class sessions. As noted above, those optional readings are for students seeking more information on a particular topic.
2. **Policy Memo (30%):** Students will write an individual policy memo related to banking and financial institutions policy. The memo will be organized in the form of a briefing for a member of Congress. The memo will provide an opportunity for students to explore the policy arguments on different sides of an emerging issue. Detailed instructions for the memo will be posted on Blackboard. In addition, students should refer to the grading rubric at the end of this syllabus for information on the factors that will be considered in grading the policy memo and the weights that will be applied to each factor.
3. **Midterm Exam (30%):** The exam will focus on items specifically discussed in class and in the assigned readings for the class sessions prior to the exam date. It will be a short answer essay format.
4. **Final Group Presentation (25%):** Students will divide into small groups and collaborate on a PowerPoint presentation providing an in-depth analysis of one of the major regulatory policy issues discussed in this course, including those related to monetary policy, financial stability, consumer protection in the mortgage market, or community reinvestment. Detailed instructions for the Final Group Presentation will be posted on Blackboard.

#### **Background on Instructor:**

Joseph Firschein is Deputy Associate Director and Community Affairs Officer at the Federal Reserve Board’s Division of Consumer and Community Affairs. He leads the Board’s Community Reinvestment Act (CRA) team responsible for developing and implementing CRA regulations to support bank lending and investment in low- and moderate-income communities. He also leads the Board’s community development team that engages, convenes, and informs key stakeholders -- including community and consumer groups, industry, government, other bank regulatory agencies, and researchers - - to identify emerging issues and advance what works in community reinvestment and consumer compliance supervision.

Prior to joining the Federal Reserve Board, Joseph served as a Director in Fannie Mae’s Housing and Community Development Division where he managed the business segment responsible for financing community development financial institutions and led the

company's efforts to sell foreclosed single family homes to public entities and nonprofits. Prior to joining Fannie Mae, Joseph managed lending to community development financial institutions at the U.S. Treasury Department Community Development Financial Institutions (CDFI) Fund and served as lead community development analyst at the U.S. Office of Management and Budget (OMB) Housing Branch. Joseph has served as a board member of several local nonprofit community development and policy organizations and is an adjunct professor at Georgetown University and George Washington University, where he teaches courses on community development finance and policy. Joseph has an MBA in Finance from the University of Maryland, Robert H. Smith School of Business; a Masters in Public Policy from the University of California, Berkeley, Goldman School of Public Policy; and a B.A. in Psychology from Stanford University.

## Class Schedule

(Note: Guest speakers are still being confirmed)

Date	Topic	Reading   Assignment   Homework
Jan. 13 Class 1	<p><u>Introduction and overview:</u></p> <p>Review of course organization and assignments. What is the history of major U.S. financial regulation and deregulation prior to the enactment of the DFA? What are some of the market and regulatory problems that led to the mortgage and financial crisis of 2007-2008 and what high level policy steps did the DFA take to address these problems? What are some of the commonly used banking and finance terms that we will cover in this course? What are the key banking and financial regulatory agencies and what are their major areas of responsibility?</p>	<p>1) Acharya V. et al. Regulating Wall Street (course textbook). Pages 1-32.</p> <p>2) Volker Alliance Report. “<a href="#">Reshaping the Financial Regulatory System</a>.” Pages 1-43. April 20, 2015.</p> <p>3) Thrush, G. and Rappeport, A “<a href="#">Like a Mosquito in a Nudist Colony: How Mick Mulvaney Found Plenty to Target at Consumer Bureau</a>.” New York Times. May 7, 2018.</p> <p>4) Bernanke, B. “<a href="#">The Federal Reserve: Looking Back, Looking Forward</a>.” January 3, 2014.</p> <p><i>Additional Optional Readings:</i></p> <p>1) Krugman, P. “<a href="#">Obama’s Other Success: Dodd-Frank Financial Reform is Working</a>.” August 3, 2014.</p> <p>2) President Trump <a href="#">video</a> signing bill to cut Bank Regulations. May 24, 2018. (Clip starts at 8:20)</p> <p>3) Republican Presidential Debate clips on Dodd-Frank and too-big-to-fail. Nov. 14, 2015.  <a href="https://www.youtube.com/watch?v=S_ZVxUjeHjg">https://www.youtube.com/watch?v=S_ZVxUjeHjg</a>  <a href="https://www.youtube.com/watch?v=gFZiSmxxfhQ">https://www.youtube.com/watch?v=gFZiSmxxfhQ</a></p> <p>4) Bernie Sanders Video on Breaking up Big Banks. April 7, 2016.  <a href="https://www.youtube.com/watch?v=6RyQ4bIcfII">https://www.youtube.com/watch?v=6RyQ4bIcfII</a></p>
Jan. 20	<p><u>No class – Martin Luther King Day</u></p>	

<p>Jan. 27 Class 2</p>	<p><u>History and Role of the Federal Reserve:</u> What is the history of central banking policy in the U.S.? What are the key responsibilities of the Federal Reserve, including the so-called “dual mandate” in monetary policy and how do the Fed’s responsibilities compare with those of other central banks? What was the impact of the DFA on the Fed’s responsibilities?</p>	<p>1) Acharya V. et al. Regulating Wall Street. Pages 51-71.</p> <p>2) Bernanke GW Lectures #1 and #2 (including both video and PowerPoint). March, 2012.  <a href="http://www.federalreserve.gov/newsevents/lectures/origins-and-mission.htm">http://www.federalreserve.gov/newsevents/lectures/origins-and-mission.htm</a>  <a href="http://www.federalreserve.gov/newsevents/lectures/the-Federal-Reserve-after-World-War-II.htm">http://www.federalreserve.gov/newsevents/lectures/the-Federal-Reserve-after-World-War-II.htm</a>  <a href="http://www.federalreserve.gov/newsevents/files/bernanke-lecture-one-20120320.pdf">http://www.federalreserve.gov/newsevents/files/bernanke-lecture-one-20120320.pdf</a>  <a href="http://www.federalreserve.gov/newsevents/files/bernanke-lecture-two-20120322.pdf">http://www.federalreserve.gov/newsevents/files/bernanke-lecture-two-20120322.pdf</a></p> <p>3) Fessenden, H. and Richardson, G. “<a href="#">Whom Do the Federal Reserve Bank Boards Serve?</a>” August 2016.</p> <p><i>Additional Optional Readings:</i></p> <p>1) Bernanke, B. “<a href="#">The Crisis as a Classic Financial Panic.</a>” November 8, 2013.</p> <p>2) The Federal Reserve System: <a href="#">Purposes and Functions.</a> 10<sup>th</sup> Edition.</p> <p>3) Charles Evans <a href="#">speech on the Fed’s dual mandate.</a> September 7, 2011.</p>
<p>Feb. 3 Class 3</p>	<p><u>Central Banking and the Financial Crisis:</u> What monetary policy tools did the Federal Reserve utilize during the mortgage and financial crisis of 2007-2008 and the subsequent weak economic conditions? What are the policy arguments for and against these tools and what are alternative perspectives on whether additional/alternative</p>	<p>1) Yellen, Janet. “Perspectives on Monetary Policy.” June 6, 2012 Speech.  <a href="http://www.federalreserve.gov/newsevents/speech/yellen20120606a.htm">http://www.federalreserve.gov/newsevents/speech/yellen20120606a.htm</a></p> <p>2) Fischer, S. “<a href="#">Central Bank Independence.</a>” November 4, 2015.</p> <p>3) Brainard, L. “<a href="#">The New Normal and What it Means for Monetary Policy.</a>” September 12, 2016.</p>

	<p>tools should be used? What steps should the Fed take to unwind its accommodative monetary steps as the economy continues to improve?</p>	<p>4) Ip, G. "<a href="#">The False Promise of a Rules-Based Fed</a>." Wall Street Journal Blog. November 25, 2015.</p> <p><b><i>Additional Optional Readings:</i></b></p> <p>1) Powell, J. "Thoughts on Unconventional Monetary Policy." June 27, 2013.  <a href="http://www.federalreserve.gov/newsevents/speech/powell20130627a.htm">http://www.federalreserve.gov/newsevents/speech/powell20130627a.htm</a></p> <p>2) Lacker, J. November 15, 2012 speech. "Economic Outlook."  <a href="http://www.richmondfed.org/press_room/speeches/president_jeff_lacker/2012/lacker_speech_20121115.cfm">http://www.richmondfed.org/press_room/speeches/president_jeff_lacker/2012/lacker_speech_20121115.cfm</a></p> <p>3) Michel, N. "Why Congress Should Institute Rules-Based Monetary Policy." Heritage Foundation. February 11, 2015.  <a href="http://www.heritage.org/research/reports/2015/02/why-congress-should-institute-rules-based-monetary-policy">http://www.heritage.org/research/reports/2015/02/why-congress-should-institute-rules-based-monetary-policy</a></p> <p>4) Taylor, J. "Requirements for Policy Rules for the Fed." Testimony Before the Committee on Financial Services, U.S. House of Representatives. July 10, 2014.  <a href="http://web.stanford.edu/~johntayl/2014_pdfs/Testimony_July_10_HFSC_Taylor.pdf">http://web.stanford.edu/~johntayl/2014_pdfs/Testimony_July_10_HFSC_Taylor.pdf</a></p> <p>5) Duke, E. "Come With Me To the FOMC." October 19, 2010.  <a href="https://www.federalreserve.gov/newsevents/speech/duke20101019a.htm">https://www.federalreserve.gov/newsevents/speech/duke20101019a.htm</a></p> <p><b>Instructions will be discussed in class for the Policy Memo (these instructions will also be posted on Blackboard)</b></p>
Feb. 10 Class 4	<p><u>Bank Safety and Soundness and Systemic Risk:</u> What is systemic risk and what are the key policy issues posed by the systemic risk of financial institutions? What policy</p>	<p>1) Yellen, J. "<a href="#">Supervision and Regulation</a>." September 28, 2016.</p> <p>2) Kashkari, N. "<a href="#">Lessons From the Crisis: Ending Too Big To Fail</a>." February 16, 2016.</p>

<p>changes were put in place after the financial crisis to address systemic risk, including changes enacted as part of the DFA? To what extent do the so-called “Basel II” and “Basel III” capital and financial standards apply to banks in the U.S. and what are alternative perspectives on whether these standards should be adopted for U.S. banks? What are alternative perspectives on whether the DFA changes adequately address systemic risk problems?</p>	<p>3) Brainard, L. “<a href="#">Dodd-Frank at Five: Assessing Progress on Too Big to Fail</a>.” July 9, 2015.</p> <p>4) Tarullo, D. “<a href="#">Financial Regulation Since the Crisis</a>.” December 2, 2016.</p> <p><i>Additional Optional Readings:</i></p> <p>1) Yellen, J. “<a href="#">Financial Stability a Decade After the Onset of the Crisis</a>.” August 25, 2017.</p> <p>2) Tarullo, D. “The Evolution of Capital Regulation.” November 9, 2011. <a href="http://www.federalreserve.gov/newsevents/speech/tarullo20111109a.htm">http://www.federalreserve.gov/newsevents/speech/tarullo20111109a.htm</a></p> <p>3) Dudley, B. “Ending Too Big to Fail.” November 7, 2013. <a href="https://www.newyorkfed.org/newsevents/speeches/2013/dud131107.html">https://www.newyorkfed.org/newsevents/speeches/2013/dud131107.html</a></p> <p>4) Dittrich, S. “How Basel III Capital Requirements Hurt Community Banks.” September 26, 2012. American Banker. <a href="http://www.americanbanker.com/bankthink/how-basel-iii-capital-requirements-hurt-community-banks-1053011-1.html?zkPrintable=1&amp;nopagination=1">http://www.americanbanker.com/bankthink/how-basel-iii-capital-requirements-hurt-community-banks-1053011-1.html?zkPrintable=1&amp;nopagination=1</a></p> <p>5) Schneider, H. “New Fed Rule Limits Its Crisis Bailout Powers.” Reuters. November 30, 2015. <a href="http://www.reuters.com/article/2015/11/30/us-usa-fed-lending-idUSKBN0TJ0AW20151130">http://www.reuters.com/article/2015/11/30/us-usa-fed-lending-idUSKBN0TJ0AW20151130</a></p> <p>6) Johnson, S. “Too Big To Fail Not Fixed, Despite Dodd-Frank.” October 9, 2011. <a href="https://www.bloomberg.com/view/articles/2011-10-10/too-big-to-fail-not-fixed-despite-dodd-frank-commentary-by-simon-johnson">https://www.bloomberg.com/view/articles/2011-10-10/too-big-to-fail-not-fixed-despite-dodd-frank-commentary-by-simon-johnson</a></p>
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		<p>7) Federal Reserve Board Press Release on procedures for emergency lending under Section 13(3) of the Federal Reserve Act. November 30, 2015.  <a href="http://www.federalreserve.gov/newsevents/press/bcreg/20151130a.htm">http://www.federalreserve.gov/newsevents/press/bcreg/20151130a.htm</a></p> <p>8) Rossi, C. “<a href="#">Will Dodd-Frank Act Reform Be a Boon or a Bust for Risk Management?</a>” July 21, 2017.</p>
Feb. 17	No class –President’s Day	
Feb. 24 Class 5	<p><u>Bank Safety and Soundness and Systemic Risk #2</u>: What additional policies have been suggested to address systemic risk, including breaking up large institutions or re-instituting the Glass-Steagall rules that prevent banks from offering investment products? What policy issues are posed by the Volker Rule and so-called “resolution authority”?</p>	<p>1) Pearlstein, S. “<a href="#">Let’s Shatter the Myth on Glass-Steagall.</a>” Washington Post. July 28, 2012.</p> <p>2) Quarles, R. “<a href="#">America’s Vital Interests in Global Efforts to Promote Financial Stability.</a>” June 27, 2018.</p> <p>3) Tarullo, D. “<a href="#">Toward Building a More Effective Resolution Regime</a>: Progress and Challenges. October 18, 2013.</p> <p>4) Fitzpatrick, T. and Thomson, J. “<a href="#">An End to Too Big to Let Fail? The Dodd-Frank Act’s Orderly Liquidation Authority.</a>” January 5, 2011.</p> <p>5) Flitter, E. and Rappeport, A. “<a href="#">Big Banks to Get a Break From Limits on Risky Trading.</a>” New York Times. May 30, 2018.</p> <p>6) Calomiris, C. “<a href="#">Fix the Volker Rule , But Look for Alternatives, Too.</a>” New York Times. June 4, 2018.</p> <p><i>Additional Optional Readings:</i></p> <p>1) Stein, Kara. <a href="#">Statement on Proposed Revisions to Volker Rule.</a> June 5, 2018.</p> <p>2) Kirkland and Ellis paper criticizing DFA resolution authority.  <a href="http://online.wsj.com/public/resources/documents/KirklandDoddFrank.pdf">http://online.wsj.com/public/resources/documents/KirklandDoddFrank.pdf</a></p>

		<p>3) Dallas Fed 2011 Annual Report.  <a href="http://www.dallasfed.org/assets/documents/fed/annual/2011/ar11.pdf">http://www.dallasfed.org/assets/documents/fed/annual/2011/ar11.pdf</a></p> <p>4) Interview and Discussion with Paul Volker. June 25, 2014.  <a href="https://www.youtube.com/watch?v=5jhCAhfLgOI">https://www.youtube.com/watch?v=5jhCAhfLgOI</a></p> <p>5) Senate Banking Committee hearing 2013 on too big to fail.  <a href="https://www.youtube.com/watch?v=9dLALjbP9dM">https://www.youtube.com/watch?v=9dLALjbP9dM</a></p> <p><b>Instructions and team assignments will be distributed for Final Group Presentations (instructions will also be posted on Blackboard)</b></p>
Mar. 2 Class 6	<p><u>Consumer Financial Protection Policy Issues:</u>  What are the key consumer protection requirements that apply to financial institutions, including the ability to repay and qualified mortgage provisions enacted in the DFA? To what extent has the creation of the Consumer Financial Protection Bureau (CFPB) changed the way that consumer protection is applied to banks and other non-bank financial institutions? What are the policy arguments for and against the creation of the CFPB?</p>	<p>1) Acharya V. et al. Regulating Wall Street. Pages 73-84</p> <p>2) Immergluck, D. Foreclosed. Pages 167-224</p> <p>3) Raskin, S. “<a href="#">Legal Opportunities and Challenges in Crafting a Foreclosure Response</a>.” Speech at the Maryland State Bar Association, Columbia, Maryland. October 4, 2011.</p> <p>4) Consumer Financial Protection Bureau Fact Sheet and Press Release on Ability to Repay and Qualified Mortgage Rule. January 10, 2013.  <a href="http://files.consumerfinance.gov/f/201301_cfpb_ability-to-repay-factsheet.pdf">http://files.consumerfinance.gov/f/201301_cfpb_ability-to-repay-factsheet.pdf</a>   <a href="http://www.consumerfinance.gov/pressreleases/consumer-financial-protection-bureau-issues-rule-to-protect-consumers-from-irresponsible-mortgage-lending/">http://www.consumerfinance.gov/pressreleases/consumer-financial-protection-bureau-issues-rule-to-protect-consumers-from-irresponsible-mortgage-lending/</a></p>

		<p>5) Arnold, C. “<a href="#">Trump Official Wants to Put Tight Leash on Consumer Bureau.</a>” NPR. April 2, 2018.</p> <p><b><i>Additional Optional Readings:</i></b></p> <p>1) CFPB Basic Guide for Lenders: What is a Qualified Mortgage?  <a href="http://files.consumerfinance.gov/f/201310_cfpb_qm-guide-for-lenders.pdf">http://files.consumerfinance.gov/f/201310_cfpb_qm-guide-for-lenders.pdf</a></p> <p>2) The Financial Crisis Inquiry Report, Authorized Edition. Chapter on Subprime Lending. Pages 67-80  <a href="http://fcic-static.law.stanford.edu/cdn_media/fcic-reports/fcic_final_report_chapter5.pdf">http://fcic-static.law.stanford.edu/cdn_media/fcic-reports/fcic_final_report_chapter5.pdf</a></p> <p>3) Paul Weiss Client Memo. “Consumer Financial Protection Bureau Issues Ability-to-Repay and Qualified Mortgage Standards Implementing Dodd-Frank.” January 14, 2013.  <a href="http://www.paulweiss.com/media/1397716/14jan13cfpb.pdf">http://www.paulweiss.com/media/1397716/14jan13cfpb.pdf</a></p> <p>4) Mortgage Daily News summary of Final QRM Rule. October 21, 2014.  <a href="http://www.mortgagenewsdaily.com/10212014_qrm_rule_qm.asp">http://www.mortgagenewsdaily.com/10212014_qrm_rule_qm.asp</a></p>
Mar. 9 Class 7	<p><u>Consumer Financial Protection Policy Issues #2:</u>  What are consumer financial protection issues associated with small dollar consumer loans (including payday loans)? What role do banks and non-banks play in this policy area and what are the challenges of regulating these loan products? What are the key provisions of the CFPB’s proposed rule to regulate payday loans?</p>	<p>1) Atlantic Monthly. “<a href="#">Payday Lending: Will Anything Replace It?</a>” May 2016.</p> <p>2) Berry, K. “<a href="#">CFPB Goes Back to the Drawing Board on Payday Rule.</a>” June 13, 2018.</p> <p>3) Consumer Financial Protection Bureau Fact Sheet on Payday Loan Final Rule. October 5, 2017.  <a href="http://files.consumerfinance.gov/f/documents/201710_cfpb_fact-sheet_payday-loans.pdf">http://files.consumerfinance.gov/f/documents/201710_cfpb_fact-sheet_payday-loans.pdf</a></p>

		<p>4) Bourke, N. “New Federal Payday Lending Rule Offers Protections for Consumers.” October 11, 2017.  <a href="http://www.pewtrusts.org/en/research-and-analysis/analysis/2017/10/11/new-federal-payday-lending-rule-offers-protections-for-consumers">http://www.pewtrusts.org/en/research-and-analysis/analysis/2017/10/11/new-federal-payday-lending-rule-offers-protections-for-consumers</a></p> <p>5) Standaert, D. and Coleman, B. “<a href="#">Ending the Cycle of Evasion: Effective State and Federal Payday Lending Enforcement.</a>” November 2015.</p> <p><b><i>Additional Optional Readings:</i></b></p> <p>1) CFPB White Paper on Payday Loans and Deposit Advance Products. April 24, 2013.  <a href="http://files.consumerfinance.gov/f/201304_cfpb_payday-dap-whitepaper.pdf">http://files.consumerfinance.gov/f/201304_cfpb_payday-dap-whitepaper.pdf</a></p> <p>2) Edmiston, K. “Could Restrictions on Payday Lending Hurt Consumers?” Economic Review. 2011.  <a href="https://www.kansascityfed.org/~media/files/publicat/econrev/econrevarchive/2011/1q11edmiston.pdf">https://www.kansascityfed.org/~media/files/publicat/econrev/econrevarchive/2011/1q11edmiston.pdf</a></p> <p><b>If possible, Final Group Presentation teams should submit proposed presentation topic to instructor via e-mail</b></p>
Mar. 16	<u>No class – Spring Break</u>	
Mar. 23 Class 8	<p>CRA: What are the key policy issues related to the Community Reinvestment Act? What CRA modernization proposals have been suggested and what are the merits of the various proposals?</p> <p><b>Guest speaker: Tanner Daniel, American Bankers Association</b></p>	<p>1) Braunstein, S. “The Community Reinvestment Act.” Testimony Before the Committee on Financial Services. February 13, 2008.  <a href="http://www.federalreserve.gov/newsevents/testimony/braunstein20080213a.htm">http://www.federalreserve.gov/newsevents/testimony/braunstein20080213a.htm</a></p> <p>2) National Community Reinvestment Coalition (NCRC). <a href="#">Principles for CRA Regulatory Reform</a>. May 21, 2018.</p> <p>3) Bhutta, N. and Canner, G. “Did the CRA Cause the Mortgage Market Meltdown?” Community Dividend. March 1, 2009.</p>

		<p><a href="http://www.minneapolisfed.org/research/pub_display.cfm?id=4136">http://www.minneapolisfed.org/research/pub_display.cfm?id=4136</a></p> <p><b><i>Additional Optional Readings:</i></b></p> <p>1) U.S. Treasury Department <a href="#">Memorandum on CRA Recommendations</a>. April 3, 2018.</p> <p>2) Brainard, L. “<a href="#">Keeping Community at the Heart of the Community Reinvestment Act</a>.” May 18, 2018.</p> <p>3) Getter, D. “<a href="#">The Effectiveness of the Community Reinvestment Act</a>.” Congressional Research Service. January 7, 2015.</p> <p>4) “<a href="#">Modernizing the CRA</a>.” Woodstock Institute. July 2010.</p> <p>5) <a href="#">CRA video</a>. San Francisco Fed. August 2015.</p> <p>6) Badger, E. “<a href="#">How Redlining’s Racist Effects Lasted for Decades</a>.” NY Times. Aug. 24, 2017.</p>
Mar. 30 Class 9	<u>Midterm Exam</u>	No assigned readings
April 6 Class 10	<p><u>Fintech</u>: What are the implications for public policy of the proliferation of venture capital-funded technology companies seeking to provide lending and financial services (often referred to as fintech)? In particular, what challenges and opportunities do these firms pose for a range of stakeholders, including banks, regulators, and consumers?</p>	<p>1) Brainard, L. “<a href="#">The Opportunities and Challenges of Fintech</a>.” Dec. 2, 2016.</p> <p>2) Koren, J. “<a href="#">Fintech Firms Notch Win as Regulator Allows Them to Seek Federal Bank Charter</a>.” Los Angeles Times, December 2, 2016.</p> <p>3) “McCarthy, B. “<a href="#">Regulation Could Be Blessing in Disguise for Online Lenders</a>.” American Banker. August 4, 2015.</p> <p>4) Gandel, S. “<a href="#">Here’s How Citigroup Is Embracing the Fintech Revolution</a>.” Fortune. June 29, 2016.</p>

		<p>5) Evans, C. “<a href="#">Keeping Fintech Fair: Thinking about Fair Lending and UDAP Risks</a>,” <i>Consumer Compliance Outlook</i> (Second Issue 2017).</p> <p><b>Additional Optional Readings:</b></p> <p>1) Brainard, L. “<a href="#">Community Banks, Small Business Credit, and Online Lending</a>”. September 30, 2015.</p> <p>2) “<a href="#">Alternative Lending Through the Eyes of ‘Mom and Pop’ Small Business Owners: Findings from Online Focus Groups</a>.” July 2015.</p> <p>3) Lipman, B. and Wiersch, A. “<a href="#">Browsing to Borrow: ‘Mom &amp; Pop’ Small Business Perspectives on Online Lenders</a>.” June 2018.</p> <p>4) Consumer Organization <a href="#">Letter</a> Opposing OCC Fintech Charter. April 14, 2017.</p> <p><b>Policy memo due in class</b></p>
Apr. 13 Class 11	<p><u>Housing Finance Reform and the Government Sponsored Enterprises (GSEs):</u> What is the history of the GSEs – Fannie Mae and Freddie Mac -- and what role did they play leading up to the financial and mortgage crisis of 2007 and 2008? What are alternative policy proposals related to the future of the GSEs and what is the potential impact of the Obama Administration’s proposed wind-down of the GSEs?</p>	<p>1) Bernanke, B. “<a href="#">The Future of Mortgage Finance in the United States</a>.” October 31, 2008. Speech at the UC Berkeley/UCLA Symposium: The Mortgage Meltdown, the Economy, and Public Policy, Berkeley, California.</p> <p>2) Levitin, A. and Ratcliffe, J. “<a href="#">Rethinking Duties to Serve in Housing Finance</a>.” October 2013</p> <p>3) Parrot, J. et al. “A More Promising Road to GSE Reform.” March 2016. <a href="https://www.economy.com/mark-zandi/documents/2016-03-22-A-More-Promising-Road-To-GSE-Reform.pdf">https://www.economy.com/mark-zandi/documents/2016-03-22-A-More-Promising-Road-To-GSE-Reform.pdf</a></p> <p>4) Adler, J. and Lang H. “<a href="#">White House Pushes Surprise Fannie, Freddie Reform Plan, But Is It Workable?</a>” American Banker. June 21, 2018.</p>

		<p><b><i>Additional Optional Readings:</i></b></p> <p>1) <a href="#">FHFA Final Rule on Duty to Serve</a>. December 2016.</p> <p>2) Parrot, J. et al. “<a href="#">A More Promising Road to GSE Reform</a>.” March 2016.</p> <p>3) CBO Report: “<a href="#">Transitioning to Alternative Structures for Housing Finance</a>.” December 2014.</p> <p>4) Sediman, E. and Zigas, B. “<a href="#">Making Sure the FHFA’s Duty to Serve Regulations Help Underserved Housing Markets</a>.” Urban Institute. December 31, 2015.</p> <p>5) Stevens, D. “<a href="#">Why I Support Reforming the GSEs, Not Eliminating Them</a>.” Mortgage Bankers Association. August 21, 2015.</p> <p>6) Powell, J. “<a href="#">The Case for Housing Finance Reform</a>.” July 6, 2017.</p>
Apr. 20 Class 12	<p><b><u>Final Group Presentation</u></b>  <b><u>Team Meetings:</u></b> No in-class lecture; time available for teams to meet on final group presentation</p>	No assigned readings
Apr. 27 Class 13	<p><b><u>Financial Inclusion and Household Financial Stability:</u></b>  What are the key policy issues related to unbanked and under-banked households? What policies have been proposed to increase household assets and overall financial stability? What are the policy issues associated with fair housing, including HUD’s Affirmatively Furthering Fair Housing rule?</p>	<p>1) FDIC Press Release and Report: “<a href="#">Share of Households Without a Bank Account Continues to Drop</a>.” October 23, 2018.</p> <p>2) Sledge et. al. “Making the Shift from Financial Education to Financial Capability: Evidence from the Financial Capability Innovation Fund.”  See Blackboard site under “Readings Not on Web.”</p> <p>3) Collins, M. “Effects of Mandatory Financial Education on Low-Income Clients.”</p>

		<p>See Blackboard site under “Readings Not on Web.”</p> <p>4) Davis and Appelbaum. 2015. “<a href="http://www.nytimes.com/2015/07/09/us/hud-issuing-new-rules-to-fight-segregation.html">Obama Unveils Stricter Rules Against Segregation in Housing</a>.” New York Times. <a href="http://www.nytimes.com/2015/07/09/us/hud-issuing-new-rules-to-fight-segregation.html">http://www.nytimes.com/2015/07/09/us/hud-issuing-new-rules-to-fight-segregation.html</a></p> <p>5) Editorial Board, New York Times. “<a href="#">Ben Carson vs. The Fair Housing Act</a>.” May 13, 2018.</p> <p><i>Additional Optional Readings:</i></p> <p>1) Thrush, G. “<a href="#">Under Ben Carson, HUD Scales Back Fair Housing Enforcement</a>.” New York Times, March 28, 2018.</p> <p>2) Editorial Board, New York Times. 2015. “<a href="#">The End of Federally Financed Ghettos</a>.”</p> <p>3) Yellen, J. “The Importance of Asset Building for Low and Middle Income Households.” <a href="http://www.federalreserve.gov/newsevents/speech/yellen20140918a.htm">http://www.federalreserve.gov/newsevents/speech/yellen20140918a.htm</a></p> <p>4) HUD Press Release on Affirmatively Furthering Fair Housing rule. July 8, 2015. <a href="http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2015/HUDNo_15-084">http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2015/HUDNo_15-084</a></p>
May 4 Class 14	<u>Final Group Presentations</u>	<b>Completed Final Group Presentations to be presented in class</b>

### Policy Memo Grading Rubric:

- Content – 80%
  - Complexity, depth of the response, and demonstrated understanding of the subject
  - Clarity and accuracy when describing key concepts
  - Making conclusions and/or recommendations that are supported by the information in the memo and/or in other cited materials



- **Quality of Writing – 20%**
  - Following the page length and/or format requirements
  - Grammar and punctuation, spelling , and sentence structure
  - Organization and coherence of ideas
  - Supporting the case analysis with references that add value to the analysis and support the conclusions/recommendations

## **University Policies:**

### **University Policy on Religious Holidays**

1. Students should notify faculty during the first week of the semester of their intention to be absent from class on their day(s) of religious observance.
2. Faculty should extend to these students the courtesy of absence without penalty on such occasions, including permission to make up examinations.
3. Faculty who intend to observe a religious holiday should arrange at the beginning of the semester to reschedule missed classes or to make other provisions for their course-related activities.

### **Support for Students Outside the Classroom**

1. **Disability Support Services (DSS):** Any student who may need an accommodation based on the potential impact of a disability should contact the Disability Support Services office at 202-994-8250 in the Rome Hall, Suite 102, to establish eligibility and to coordinate reasonable accommodations. For additional information please refer to: <http://disabilitysupport.gwu.edu/>
2. **Mental Health Services 202-994-5300:** The University's Mental Health Services offers 24/7 assistance and referral to address students' personal, social, career, and study skills problems. Services for students include: crisis and emergency mental health consultations confidential assessment, counseling services (individual and small group), and referrals. [counselingcenter.gwu.edu/](http://counselingcenter.gwu.edu/)

### **Academic Integrity Code**

Academic dishonesty is defined as cheating of any kind, including misrepresenting one's own work, taking credit for the work of others without crediting them and without appropriate authorization, and the fabrication of information. For the remainder of the code, see: [studentconduct.gwu.edu/code-academic-integrity](http://studentconduct.gwu.edu/code-academic-integrity)

### **Out of Class Learning**

Average minimum amount of independent, out-of- class, learning expected per week: In a 15 week semester, including exam week, students are expected to spend a minimum of 100 minutes of out-of- class work for every 50 minutes of direct instruction, for a minimum total of 2.5 hours a week.