

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

COMMUNITY FINANCIAL SERVICES
ASSOCIATION OF AMERICA, LTD., and
CONSUMER SERVICE ALLIANCE OF
TEXAS,

Plaintiffs,

v.

CONSUMER FINANCIAL PROTECTION
BUREAU and KATHLEEN KRANINGER,
in her official capacity as Director, Consumer
Financial Protection Bureau,

Defendants.

Civil Action No. 1:18-cv-295

JOINT STATUS REPORT

Plaintiffs Community Financial Services Association of America, Ltd., and Consumer Service Alliance of Texas, together with Defendants the Consumer Financial Protection Bureau and Kathleen Kraninger, in her official capacity as Director of the Bureau, (collectively, the “Parties”) submit this Joint Status Report pursuant to the Court’s Order dated August 6, 2019 (ECF No. 64).

In this litigation, Plaintiffs challenge the Bureau’s “Payday, Vehicle Title, and Certain High-Cost Installment Loans” rule (“Payday Rule” or “Rule”). The Rule contains two primary components—underwriting provisions requiring lenders to assess borrowers’ ability to repay before making covered loans and payments provisions governing lenders’ withdrawing payments

for covered loans from consumers' bank accounts. The Rule established August 19, 2019 as the compliance date for these provisions, but this Court stayed the compliance date by order dated November 6, 2018 (ECF No. 53).

As the Parties previously reported to the Court, the Bureau published two notices of proposed rulemaking in the Federal Register on February 14, 2019: one that proposed to rescind the Rule's underwriting provisions, 84 Fed. Reg. 4252 (Feb. 14, 2019), and one that proposed to delay the compliance date for those provisions, 84 Fed. Reg. 4298 (Feb. 14, 2019).

On June 6, 2019, the Bureau issued a final rule that delayed the compliance date for the underwriting provisions until November 19, 2020. That final rule was published in the Federal Register on June 17, 2019, and took effect on August 16, 2019. 84 Fed. Reg. 27907 (June 17, 2019). The Bureau is continuing to make progress on its other rulemaking, which proposed to rescind the underwriting provisions.

The parties are not requesting that the Court lift the stay of litigation or lift the stay of the compliance date at this time.

Dated: December 6, 2019

Respectfully submitted,

MARY McLEOD
General Counsel

JOHN R. COLEMAN
Deputy General Counsel

STEVEN Y. BRESSLER
Assistant General Counsel

/s/ Kristin Bateman
KRISTIN BATEMAN (Cal. Bar No. 270913)
KEVIN FRIEDL (NY Bar No. 5240080)
Attorneys
Consumer Financial Protection Bureau
1700 G Street, NW
Legal Division
Washington, D.C. 20552
Telephone: (202) 435-7821
Fax: (202) 435-7024
Kristin.Bateman@cfpb.gov

*Counsel for Defendants Consumer Financial
Protection Bureau and Kathleen Kraninger*

/s/ Michael A. Carvin
MICHAEL A. CARVIN
D.C. Bar No. 366784
Admitted *pro hac vice*
macarvin@jonesday.com
CHRISTIAN G. VERGONIS
D.C. Bar No. 483293
Admitted *pro hac vice*
cvergonis@jonesday.com
JONES DAY
51 Louisiana Avenue NW
Washington, DC 20001
Telephone: (202) 879-3939
Facsimile: (202) 626-1700

LAURA JANE DURFEE
Texas Bar No. 24069653
ldurfee@jonesday.com
JONES DAY
2727 North Hardwood Street
Dallas, TX 75201
Telephone: (214) 220-3939
Facsimile: (214) 969-5100

Counsel for Plaintiffs

CERTIFICATE OF SERVICE

I hereby certify that on December 6, 2019, I electronically filed the foregoing with the Clerk of Court using the CM/ECF system, which will send notification of such filing to the following:

Michael A. Carvin
Christian G. Vergonis
Jones Day
51 Louisiana Ave., NW
Washington, DC 20001-2113

Laura Jane Durfee
Jones Day
2727 N. Harwood
Dallas, TX 75201

/s/ Kristin Bateman

Kristin Bateman

Counsel for Defendants