

UNITED STATES OF AMERICA
Before the
BUREAU OF CONSUMER FINANCIAL PROTECTION

ADMINISTRATIVE PROCEEDING
File No. 2015-CFPB-0029

_____)	
In the Matter of)	
)	ORDER DIRECTING PARTIES
INTEGRITY ADVANCE, LLC, and)	TO PROVIDE ADDITIONAL
JAMES R. CARNES)	BRIEFING
_____)	

On July 10, 2018, I signed an Order directing the parties to file a Joint Statement regarding further proceedings in this matter. The parties submitted that Statement on August 13, 2018. In that Statement, the parties agreed that *Lucia v. SEC*, 138 S. Ct. 2044 (2018), applies to this matter, and that, pursuant to *Lucia*, the Administrative Law Judge (ALJ) who presided over the hearing was not constitutionally appointed. However, the parties did not agree as to how this matter should now proceed. Respondents argued that all the claims in the Bureau’s Notice of Charges are time-barred, or are precluded on jurisdictional grounds. Accordingly, they argue that all charges against them should be dismissed. Enforcement Counsel contend that *Lucia* requires a new hearing and that I should remand to the Bureau’s ALJ who could then address the issues raised by Respondents.

Before determining how this matter should proceed, such as whether to remand this matter to the Bureau’s ALJ for a new hearing, it is appropriate to consider two issues raised by Respondents that have not been adequately addressed by the parties.

Accordingly, I direct that the parties shall file briefs addressing the following issues that were raised by Respondents in the Joint Statement:

- 1) If a new hearing is to be held in this matter before an administrative law judge, must the Bureau also file a new Notice of Charges?
- 2) Does the Bureau’s current administrative law judge satisfy the requirement in *Lucia v. SEC*, 138 S. Ct. 2044 (2018), that an administrative law judge be appointed by the President, a court of law, or the head of a department?

Within 21 days of the date that this Order is issued, Respondents shall provide an opening brief of no more than 20 pages addressing the two issues listed above. Within 21 days of the date that Respondents serve their opening brief, Enforcement Counsel shall file a brief of no more than 20 pages. Within 14 days of the date that Enforcement Counsel files its brief, Respondents may file a reply brief of no more than 10 pages. All briefs must be double spaced and in a typeface that is 12-point or larger.

SO ORDERED.

A handwritten signature in blue ink, appearing to read 'M. Mulvaney', is written above a horizontal line. The signature is stylized and includes the initials 'M. Mulvaney'.

Mick Mulvaney
Acting Director
Bureau of Consumer Financial Protection

September 6, 2018

CERTIFICATE OF SERVICE

I hereby certify that I have served a true and correct copy of the *Order Directing Parties to Provide Additional Briefing* upon the following parties and entities in Administrative Proceeding 2015-CFPB-0029 as indicated in the manner described below:

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Jameelah
Morgan

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Jameelah Morgan
Docket Clerk
Office of Administrative Adjudication
Bureau of Consumer Financial Protection

Signed and dated on this 12th day of September,
2018 at Washington, D.C.