

## This Week in Wall Street Reform | July 3 - 10, 2015

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### CONSUMER FINANCE & THE CFPB

#### [Treasury Chief: Consumer Agency's Track Record Should Silence Critics Who Wanted It Gone](#)

**Charles S. Clark, Government Executive, 7/8**

"The CFPB is doing important work and was protected with independent funding,' Lew told a Brookings Institution audience after a speech marking this month's fifth anniversary of the 2010 Dodd-Frank Financial Reform Act. 'Those who have concerns should see that the bureau has broad overwhelming support and has done everything in a careful way, listening to all sides. Its track record should be enough to put all that to rest.'

Lew spoke as a new poll commissioned by the nonprofit coalition **Americans for Financial Reform** and the Center for Responsible Lending found that nearly three-quarters of likely 2016 voters (73 percent) favor the central reforms in Dodd-Frank."

#### [Duckworth Introduces Bill To Protect Military Members From Abusive Financial Practices](#)

**Press Release, Office of Representative Duckworth, 7/9**

#### [Wisconsin Senate budget loosens payday loan regulations](#)

**Steven Elbow, Capital Times, 7/9**

#### [Turns Out Obama Wasn't Targeting Porn, Guns, Gambling And Payday Loans After All](#)

**Zach Carter and Ryan Reilly, Huffington Post, 7/9**

#### [CFPB Issues Final Rules Regulating Automobile Financing, as Permitted by Dodd-Frank](#)

**Alan Clark and Edmund Harillee, JDSupra, 7/8**

#### [Complaints pour in to Consumer Financial Protection Bureau](#)

**Kenneth R. Harney, Washington Post, 7/8**

#### [NCLC recommends debt collection regulations to the CFPB](#)

**Gary W. Becker and John L. Culhane, Jr., CFPB Monitor, 7/8**

#### [Poll: 70% Of Consumers Oppose Forced Arbitration By Lenders](#)

**Ted Knutson, Financial Advisor, 7/8**

Seventy percent of consumers from both political parties oppose forced arbitration in loan contracts, **Americans for Financial Reform** and the Center for Responsible Lending reported in a poll Wednesday. The right of consumers to go to court against banks and other lenders in class action suits, however, was supported by a greater majority of Democrats (78 percent) than Republicans (63 percent)."

#### [30 Groups Urge Assembly to Remove, Gov. Walker to Veto Payday Lender Grab-Bag in State](#)

**Press Release, WISPIRG, 7/8**

### [Can the Credit Bureaus Finally Be Tamed?](#)

Victoria Finkle, American Banker, 7/7

The industry is now facing considerable scrutiny, including new oversight from the Consumer Financial Protection Bureau and a number of state attorneys general, though the piecemeal changes don't yet amount to enough for critics — particularly absent a headline-grabbing crackdown with real teeth.

"They still need to be dragged kicking and screaming," said Ed Mierzwinski, the consumer program director at the U.S. Public Interest Research Group.

Lawyers, advocates and regulators point to three related challenges that have long plagued credit reporting: accuracy of the information lenders submit; credit bureaus' own data quality checks; and the handling of errors when they are discovered.

### [Consumer agency: Troops face 'roadblocks' repaying student loans](#)

Lauren Aguirre, The Hill, 7/7

### [Military Personnel Face Student Loan Issues Despite Required Protections](#)

Ashlee Kieler, The Consumerist, 7/7

See also the [CFPB Report](#).

### [Payday lenders gave \\$15M to GOP campaigns in 2014 races: report](#)

Tim Devaney, The Hill, 7/7

"The report from...**Americans for Financial Reform** released Tuesday shines a spotlight on ties between the GOP and the controversial payday lending industry. 'Payday loans lead to a cascade of consequences, such as increased overdraft fees, delinquency on other bills, forced bank account closures, and even bankruptcy,' said Gynnie Robnett, payday campaign director at **Americans for Financial Reform**. 'Yet the lenders show here they have no problem using the money they make off cash-strapped consumers to curry favor in Washington, DC.'"

### [Payday Lender Lobbying And Campaign Spending Top \\$15 Million For 2014 Election Cycle \[Report\]](#)

Editorial, ValueWalk, 7/7

"High cost 'quick-fix' consumer lenders reported spending more than \$15 million to influence Washington decision-makers during the last election cycle, according to an updated report (view or download full report here) released today by **Americans for Financial Reform**."

### [Congress Urges Stronger Action Against Payday Loan Vendors](#)

Charlene Crowell, Dallas Weekly, 7/13

### [WSJ Allows Gingrich To Boost Anti-Consumer Group Without Disclosing He's Paid By Them](#)

Eric Hananoki, MediaMatters, 7/6

### [JPMorgan Chase to pay \\$216 million to settle credit card investigation](#) – this goes in consumer section

Jon Prior, Politico, 7/8

## **DERIVATIVES, COMMODITIES & THE CFTC**

### [CFTC funding bill a 'shell game'](#)

Zachary Warmbrodt, Politico, 7/8

### [House advances CFTC spending bill](#)

Zachary Warmbrodt, Politico, 7/8

### [Regulators Warn Banks on Loans to Oil, Gas Producers](#)

Gillian Tan, Ryan Tracy and Ryan Dezember, Wall Street Journal, 7/2

# DODD-FRANK ANNIVERSARY

## [Treasury Secretary Says ‘Wall Street Reform Is Working’](#)

Ryan Tracy, *Wall Street Journal*, 7/8

Mr. Lew said the U.S. must “sustain and build on the progress we have made,” and called on regulators to “finish important rules, like the ones that raise standards on people who provide retirement and investment advice, and the ones that reform compensation practices to align incentives between executives and shareholders, creditors, taxpayers, and customers.”

He added that the financial system is more transparent, thanks to more central clearing of derivatives transactions. And he praised the work of the [Consumer Financial Protection Bureau](#), the new watchdog created under the law.

## [Happy Birthday, Dodd-Frank!](#)

Jefferey Garten, *Foreign Policy*, 7/7

“Before evaluating its extraordinary significance, its serious shortcomings, and the awesome challenges still ahead, it’s worth taking a second to consider why, in the midst of so many other urgent events occurring right now — the collapse of Greece, the last inning of the negotiations on nuclear weapons with Iran, and truly tragic humanitarian problems — it is worth focusing on financial regulations. America’s banking and capital markets are not only crucial to America’s own economic welfare but they are at the center of international economic activity. America’s banking and capital markets are not only crucial to America’s own economic welfare but they are at the center of international economic activity.

They provide extensive two-way linkages between the United States and virtually every other country. They complement military power as a source of influence, and beyond that they reflect America’s capitalist culture all over the world. But when all is said and done, they exist within a set of constantly evolving regulations, and global stability can quickly collapse if that framework for government oversight isn’t strong. Dodd-Frank is at the heart of that framework today.”

## [Dodd-Frank Turns 5 & Not Everyone’s Happy About It](#)

Bob Sullivan, *Credit.com*, 7/8

“That perspective is out of step with the majority of Americans, says advocacy group **Americans for Financial Reform**. Together with the Center for Responsible Lending, the group beat the House Financial Services Committee to the punch, releasing a poll on Tuesday which shows there is widespread support – even among Republican voters — for Dodd-Frank and the Consumer Financial Protection Bureau it created.”

## [A Majority Of Both Parties Support Post-Crisis Financial Regulations](#)

Michael Ide, *ValueWalk*, 7/7

Support for financial regulations is still running strong according to a recent **Center for Responsible Lending/Americans for Financial Reform** poll of likely voters, and even though there is the expected gap between political parties, a majority of Republicans favored current Wall Street regulations on most issues. 88% of Republicans said that it’s important to regulate financial products to make sure that they’re fair to consumers and 69% said Wall Street needs tougher rules and enforcement to prevent the kinds of behaviors that led to the financial crisis (96%, 88% for Democrats respectively).

## [Poll: Voters want more regulation for Wall Street](#)

Joseph Lawler, *Washington Examiner*, 7/7

## [Support Rises For More Financial Regulation Says Liberal-Funded Poll](#)

Ted Knutson, *Financial Advisor*, 7/7

Support for more regulation of financial products and services is increasing, according to a poll released Tuesday by **Americans for Financial Reform** and the Center for Responsible Lending. AFR was the primary liberal coalition of consumer and labor groups that pushed for Dodd Frank in the wake of the biggest national financial calamity since the Great Depression.

Basically, the 1,000 likely 2016 voters surveyed said the law pushed for by AFR and CRL was a job well done.

[Is JP Morgan's CEO Banking on Dodd Frank Repeal?](#)

Lauren Windsor, Huffington Post, 7/8

[U.S. Financial Regulation, Five Years After Dodd-Frank](#)

Daniel K. Tarullo, Council on Foreign Relations, 7/8

[Dissecting Dodd-Frank 5 Years Later](#)

Elizabeth Peace, Credit Union Times, 7/7

“However, a poll conducted for **Americans for Financial Reform** and the Center for Responsible Learning showed that the majority of Americans support financial regulations by the federal government. Commissioners of the poll told the media Tuesday that despite strong distrust of government, 70% of Americans agree that regulating financial institutions is very important.”

[Do Not Gut Financial Reform in the Name of Helping Small Banks](#)

Press Release, Center for American Progress, 7/7

[Five years after Dodd-Frank, here come the reviews](#)

Lucy Ren, Market Watch, 7/7

## **ENFORCEMENT**

[Reed, Grassley Seek Tougher Penalties for Wall Street Fraud](#)

Press Release, Office of Senator Reed, 7/9

[6 components of Santander's latest enforcement action from Federal Reserve](#)

Editorial, SubPrime, 7/7

## **EXECUTIVE COMPENSATION**

[Clawbacks, Regulations Changing Executive Comp at Financial Firms](#) – this is exec comp not CFPB

Vipal Monga, Wall Street Journal, 7/7

## **INVESTOR PROTECTION & THE SEC**

[How private equity cheats pensions at workers' expense](#)

David Cay Johnston, Al Jazeera America, 7/9

[Elizabeth Warren and the Markets](#)

Editorial, Wall Street Journal, 7/8

## **MORTGAGES & HOUSING**

[HUD Finalizes Controversial AFFH Regulation](#)

Editorial, MortgageOrb.com, 7/8

[Freddie Mac Offering Four NPL Pools Totaling \\$632 Million in UPB](#)

Brian Honea, DSNews, 7/7

[Greece Bailout Crisis May Hit Home and Influence Mortgage Market](#)

Xhervrije West, MReport, 7/6

## **POLITICAL INFLUENCE OF WALL STREET & REVOLVING DOOR**

### [Sanders Won't Appoint Wall Street to Cabinet](#)

Jake Tapper, CNN Interview, 7/6

Unlike many other presidents, my cabinet would not be dominated by representatives of Wall Street. I think Wall Street has played a horrendous role in recent years, in negatively impacting our economy and in making the rich richer... So I want a cabinet that is focused on rebuilding the crumbling middle class, demanding that the wealthiest people and large corporations become part of America, and do not live as an island unto themselves.

### [Eric Holder Returns as Hero to Law Firm That Lobbies for Big Banks](#)

Lee Fang, The Intercept, 7/6

After failing to criminally prosecute any of the financial firms responsible for the market collapse in 2008, former attorney general Eric Holder is [returning](#) to Covington & Burling, a corporate law firm known for serving Wall Street clients. The move completes one of the more troubling trips through the revolving door for a cabinet secretary. Holder worked at Covington from 2001 right up to being sworn in as attorney general in February 2009. And Covington literally kept an office empty for him, awaiting his return.

### [O'Malley hits Wall Street](#)

Ben White, Politico, 7/9

### [Payday lenders gave \\$15M to GOP campaigns in 2014 races: report](#)

Tim Devaney, The Hill, 7/7

## **REGULATORY APPOINTMENTS**

### [Elizabeth Warren allies delay Obama's SEC pick](#)

Patrick Temple-West, Politico, 7/7

See also AFR's [letter](#) on SEC nominations

## **RETIREMENT SECURITY AND DOL FIDUCIARY RULE**

### [Business group launches attack on Obama's proposed fiduciary regs](#)

Kevin Cirilli, The Hill, 7/7

### [Go Beyond Disclosures to Stanch Conflicts of Interest](#)

Braydan McCarthy, American Banker, 7/9

## **STUDENT LOANS & FOR-PROFIT EDUCATION**

### [For-profit colleges outcompete Michigan's public institutions for post 9/11 GI Bill funds](#)

Mark Brush and Jennifer White, Michigan Public Radio, 7/8

### [Martin O'Malley's Education Plan Calls for Refinancing of Student Loans, Tuition Freeze at Public Colleges](#)

Michael Oleaga, Latin Post, 7/8

### [Gov't regulator: Troops still haggling with loan companies over student debt, despite law](#)

Anne Flaherty, Associated Press, 7/7

### [Education Dept. Takes Steps to Ease Repayment for Student-Loan Borrowers](#)

Kelly Field, The Chronicle of Higher Education, 7/7

[Student Loan Servicing for Military Still Has Flaws, CFPB Says](#)

Rachel Witkowski, American Banker, 7/7

[Study: Federal student loans increase tuition, not enrollment](#)

Bonnie Kristian, The Week, 7/7

[Student Protection Unit shuts down loan company for deceptive practices](#)

Kassandra Parisi, Legislative Gazette, 7/6

[It's not too late to share your #studentdebtstress story](#)

Seth Frotman, CFPB Blog, 7/8

## **SYSTEMIC RISK**

[Large U.S. banks are still dealing with compliance problems](#)

Mark Lennihan, Bloomberg News, 7/7

The top six firms' most recent regulatory filings, obtained through the Freedom of Information Act, show little or no change in the number of units, which range from 1,300 to 3,400. Daniel Tarullo, the Fed governor in charge of supervision and regulation, said last month the new blueprints are needed to ensure that banks can be wound down without systemic contagion.

[Law Says Dodd-Frank Didn't Cause Bond Volatility Last October](#)

Jesse Westbrook, Bloomberg, 7/8

[Banks prepare for another crisis](#)

Tom Bailey, World Finance, 7/8

[Law unwilling to declare too-big-to-fail is over](#)

Francine McKenna, MarketWatch, 7/8

[Sen. Warren Reintroduces Bill to Restore Glass-Steagall](#)

Melanie Waddell, ThinkAdvisor, 7/7

See AFR statement: "[The Case for the 21<sup>st</sup> Century Glass-Steagall Act Is Stronger than Ever](#)"

[Warren bill could create headache for Hillary](#)

Kevin Cirilli, The Hill, 7/7

[Martin O'Malley Channels Elizabeth Warren in Call for Breakup of Large U.S. Banks](#)

Toluse Olorunnipa, Bloomberg, 7/9

[House Subcommittee to Hold Hearing on Banks Designated as 'Systemically Important'](#)

Brian Honea, DSNews, 7/7

[Large Nonbanks Deserve FSOC Scrutiny](#)

Dennis Kelleher, American Banker, 7/7

[U.S. financial system is stronger but reforms must continue, IMF says](#)

Jim Puzzanghera, LA Times, 7/7

[Free Lunch: Still too big to fail](#)

Martin Sandbu, Financial Times, 7/7

[Banks boast of improved plans to fail without causing a crisis](#)

Joseph Lawler, Washington Examiner, 7/6

[Banks' living wills show Goldman and Morgan imperiled](#)

Barney Jopson and Ben McLannahan, Financial Times, 7/7

[After BB&T, What's Next Up For Regional Bank Mergers?](#)

Marilyn Alva, Investor's Business Daily, 7/8

## **OTHER TOPICS**

[UK government announces carry tax hike](#)

Victoria Robson, Private Equity International, 7/8