THIS WEEK IN WALL STREET REFORM

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Grassroots Activities

Occupy Wall Street protest goes global
Seattle Times news services
October 15, 2011

"Tens of thousands gathered in cities across the world Saturday in protest marches modeled on New York's "Occupy Wall Street" movement and sit-ins that began months ago in Spain. Media reported that more than 150,000 people from across Italy took to the streets in Rome, encouraged by Spain's 'Indignados' movement of mostly young people, who began protesting in May against high unemployment and inequality." Click here for more.

Occupy Wall Street, unions get their activism together
Peter Wallsten (Washington Post)
October 20, 2011

"The Occupy Wall Street protests that began as a nebulous mix of social and economic grievances are becoming more politically organized — with help from some of the country's largest labor unions. Labor groups are mobilizing to provide office space, meeting rooms, photocopying services, legal help, food and other necessities to the protesters. The support is lending some institutional heft to a movement that has prided itself on its freewheeling, non- institutional character. And in return, Occupy activists are pitching in to help unions ratchet up action against several New York firms involved in labor disputes with workers." Click here for more.

Occupy Wall Street Brings New Hopes To Reformers in D.C.
Dan Froomkin (Huffington Post)
October 19, 2011

"Progressive and public interest groups that have been advocating for years, if not decades, on behalf of the issues now animating the Occupy Wall Street protests are suddenly brimming with optimism. 'It's pretty amazing what a chord the message has struck,' said David Donnelly, national campaigns director for the Public Campaign Action Fund. Robert S. Weissman, president of Public Citizen, the consumer group celebrating its 40th anniversary this week, said, 'What we need is a movement that gives voice to the outrage that people feel over the state of the country, that speaks to Wall Street having crashed the economy with devastating effect on communities and virtual immunity for the perpetrators, and also for the capture of government by Wall Street and big business.'" Click here for more.

NY winter to test Occupy Wall St protest momentum
Ben Berkowitz and Chris Francescani (Bloomberg)
October 20, 2011

"The Occupy Wall Street movement is ending its fifth week, and despite its successes so far, people are starting to ask what comes next. After sparking protests nationwide and globally on October 15 and garnering massive media coverage, the movement now faces fresh challenges. How will it combat media fatigue, cold weather, and how will it focus its demands? 'At some point, as with any tactic, one has to find a second act. That's true with any movement,' said Michael Kazin, a professor of social movements at Georgetown University and co-editor of the magazine Dissent." Click here for more.

Wall Street to Dems: you can't have it both ways
Robin Bravender & Anna Palmer (Politco)
October 18, 2011

"After the Democratic Congressional Campaign Committee sent a recent email urging supporters to sign a petition backing the wave of Occupy Wall Street protests, phones at the party committee started ringing. Banking executives personally called the offices of DCCC Chairman Steve Israel (D-N.Y.) and DCCC Finance Chairman Joe Crowley (D-N.Y.) last week demanding answers, three financial services lobbyists told POLITICO. 'They were livid,' said one Democratic lobbyist with banking clients." Click here for more.

Frank supports protesters, raises Wall St. cash
Anna Palmer and Robin Bravender (Politico)
October 19, 2011

"Rep. Barney Frank might sympathize with the Occupy Wall Street protesters, but he's still got friends in the financial world. The Massachusetts Democrat is heading to New York hoping to raise tens of thousands of dollars Thursday at a fundraiser at the home of Charles Myers, a senior investment banking advisor at Evercore Partners. Myers is one of several Wall Street execs listed on the invite soliciting up to $2,500 from attendees for Frank's reelection committee, according to a copy obtained by POLITICO. Frank, the co-author of the sweeping financial regulatory reform bill signed into law last year, said in a recent interview with POLITICO that he didn't see any conflict between supporting the protests and taking financial services money. 'If you take money from them, but you don't vote [for] the things they want, how does that put you in conflict?' Frank questioned. Frank said he supports the movement 'to the extent that they obey the law" and that he wishes "that kind of energy was around two years ago when we were voting on the financial reform bill. We'd have a tougher bill.'" Click here for more.

Elated Gudiel makes first payment on new loan, vows to continue fighting for cause
Erick Galindo (Pasadena Star-News)
October 18, 2011

"In stark contrast to last month's gatherings at 13930 Proctor Ave., Rose Gudiel and more than 30 supporters Tuesday morning joyfully sang and cheered the news that she will keep her home. On Saturday Gudiel made her first payment in two years on her home after winning a prolonged fight with Pasadena bank OneWest, and Fannie Mae to reverse a foreclosure and eviction. Tuesday, she said she will continue to fight with other distressed homeowners. 'I'm so happy and relieved, but this isn't over for the thousands of people out there on the brink of losing their homes,' said Gudiel, whose defiance of a court order to leave her home gained her national recognition." Click here for more.

Obama plans to turn anti-Wall Street anger on Mitt Romney, Republicans
Peter Wallsten (Washington Post)
October 14, 2011

"President Obama and his team have decided to turn public anger at Wall Street into a central tenet of their reelection strategy. The move comes as the Occupy Wall Street protests gain momentum across the country and as polls show deep public distrust of the nation's major financial institutions. And it sets up what strategists see as a potent line of attack against Republican front-runner Mitt Romney, a former investment executive whom Obama aides plan to portray as a wealthy Wall Street sympathizer. …In recent days, Obama has ramped up his rhetoric. He took the unusual step of targeting an individual company when he attacked Bank of America for its new $5 monthly debit-card fee, calling it 'exactly the sort of stuff that folks are frustrated by.' And his campaign and the White House have distributed messages blasting GOP candidates and lawmakers for wanting to repeal Wall Street regulations pushed by Obama and opposing the confirmation of a leader for the consumer protection bureau created as part of the overhaul. 'We intend to make it one of the central elements of the campaign next year,' Obama senior adviser David Plouffe said in an interview. 'One of the main elements of the contrast will be that the president passed Wall Street reform and our opponent and the other party want to repeal it.'" Click here for more.

Poll: Washington to blame more than Wall Street for economy
Rick Hampson (USA Today)
October 18, 2011

"Most Americans blame Wall Street for the nation's economic predicament — but they blame Washington more. And in the democracy that fancies itself the capital of capitalism, more than four in 10 people describe the U.S. economic system as personally unfair to them. A USA TODAY/Gallup Poll taken last weekend, as the Occupy Wall Street protest movement completed its first month, found that: When asked whom they blame more for the poor economy, 64% of Americans name the federal government and 30% say big financial institutions." Click here for more.

Squires & Hartman - Occupy Wall Street: A New Wave of Fair Housing Activism?
Gregory D. Squires and Chester Hartman (Huffington Post)
October 12, 2011

"Forty years ago Gale Cincotta, affectionately known in the community organizing world as the mother of community reinvestment, led her troops into bank lobbies, effectively shutting them down for the day, held barbeques on the front yards of bank executives, and threatened Federal Reserve Chairman Paul Volker that she would hang a "Loan Shark" sign over the Federal Reserve Board office in Washington, D.C. Since that time a fair housing/fair lending/community reinvestment infrastructure has emerged, changing the way the nation's financial institutions and housing providers do business. With the passage of fair housing and fair lending laws, lawsuits and administrative complaints to enforce them, community reinvestment agreements and other tactics, a tradition of redlining and disinvestment slowly evolved into a commitment to fair housing and reinvestment. But has this movement run its course? And do the Occupy Wall Street protests, which are reminiscent of what Cincotta was doing 40 years ago, portend the next wave?" Click here for more.

Sucher - The Real Reason Banks Should Worry About Occupy Wall Street
Joel Sucher (for American Banker)
October 13, 2011

"I was mildly amused by Andrew Ross Sorkin's Oct. 3 column in The New York Times *entitled, 'On Wall Street, A Protest Matures.' Apparently a major bank's CEO had asked him something like, 'should we be worried about this?" Sorkin made his way into the occupied territory of Zuccotti Park to see for himself whether the rag-tag bunch of protestors posed a physical threat to his banker friend. No, it struck Sorkin, the crowd he saw didn't seem to be of the lynching sort: 'They didn't seem like a brutal group –at least **not yet**' (emphasis mine). With millions of American homeowners living under a Sword of Damocles otherwise known as foreclosure, expect to see more protestors turning out to block evictions and sheriff's sales. It happened recently in the Bedford-Stuyvesant section of Brooklyn, where an 82 year old woman, about to be thrown out of her home, was supported by a phalanx of people bent on preventing this. They succeeded. This sort of activism has a history. During the Great Depression, a largely forgotten episode involved squads of radicals showing up at apartments in the Bronx where occupants and their furniture were dumped on the sidewalk. Within minutes, the displaced family – and their furniture – was moved back in." Click here for more.*

Freeland - 'Occupy' Protests Standing Up to Reaganism
Chrystia Freeland (International Herald Tribune)
October 13, 2011

"On a drizzly evening in Zuccotti Park this week, where the Occupy Wall Street protesters are camped out with the modern revolutionary's gear of iPhone, blue tarp and cappuccino, I spotted one young man wearing a T-shirt with an image of Ronald Reagan and the words 'Bad Religion.' It was the right outfit for the occasion. That's because the greatest significance of the wave of leftist demonstrations that started in Lower Manhattan and rippled across the United States over the past few weeks is the potential challenge it poses to the Reagan Revolution. During the 2008 campaign, Barack Obama drew shrieks from the Democratic base, particularly its Clinton wing, by naming Ron rather than Bill as a president who had 'changed the trajectory of America.' But Mr. Obama was right. We are all living in a world shaped by Reagan and his ideology of small 'l' liberalism." Click here for more.

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Attacks on Regulations

Weissman - The GOP's Deregulation Obsession
Robert Weissman (The Nation)
October 11, 2011

"It's hard to imagine a worse time for big business to conduct a full-blown attack on regulatory protections. The country continues to suffer from a deep recession caused in large part by financial deregulation and underenforcement of existing rules.… In reality, it was insufficient controls on Wall Street that facilitated the financial crash and the Great Recession, which threw 8 million people out of work. …Republicans also want

to cut agency enforcement budgets, proposing, for example, slashing the already meager budget of the Commodities Futures Trading Commission, which is tasked with regulating the market for derivatives—the very financial instruments that were central to the financial collapse." [Click here for more.]

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CFPB and Consumer Issues

CFPB Supervision Chief: Old Methods, New Approach to Guide Exams
Kate Davidson (American Banker)
October 17, 2011

"Examiners from the Consumer Financial Protection Bureau may look the same, but they won't necessarily see the same. The bureau is employing many of the same examiners — and similar methods — that the banking regulators have used for years to conduct exams, according to the CFPB's supervision and examination manual released last week. But the manual will require examiners to look at the information they gather in new ways, revealing a key difference in approach that places the consumer squarely in the middle of the exam process for the first time. 'It gets to the main focus of the agency,' Steve Antonakes, the bureau's associate director for large bank supervision, said in an interview Monday. 'Our primary concern is risk to consumers and if information is being provided to them up front in a transparent fashion.'" [Click here for more.]

Humphrey takes on senior scams at $3 billion and counting
Linda Stern (Reuters)
October 19, 2011

"Federal financial regulators on Wednesday created a new Office of Older Americans to focus on the financial abuses they say cost seniors some $3 billion a year. The Consumer Financial Protection Bureau named Hubert H. 'Skip' Humphrey III, who is on the board of the AARP, to direct the office and focus on such issues as reverse mortgages and retiree bankruptcies. … 'Seniors are losing an estimated $2.9 (billion), almost $3 billion a year to financial abuse,' said Humphrey, 69, who is the son of former vice president Hubert Humphrey, Jr. He told reporters he would hit the ground running, focusing first on gathering information about the effects on seniors of home-improvement scams and questionable financial advice, and of the impact of high-fee investment products like reverse mortgages.'" [Click here for more.]

[Click here] to view CFPB's press release.

Online Banking Keeps Customers on Hook for Fees
Nelson D. Schwartz (NYT)
October 15, 2011

*"Customers frustrated by banks' controversial new fees are finding out what industry insiders have known for years: it is not so easy to disentangle your life from your bank. The Internet banking services that have been sold to customers as conveniences, like online bill paying, serve as powerful tethers that keep them from jumping to another institution. Tedd Speck, a 49-year-old market researcher in Kent, Conn., was furious about [Bank of America]'s planned $5 monthly fee for debit card use. … To be sure, holding on to customers is the goal of every business. The distinction in this case, critics say, is that a product that was marketed to customers as a convenience is now being used against them. "If they were only offering a service, that's one thing," said **Ed Mierzwinski, consumer program director of U.S. Pirg**, a nonprofit consumer advocacy group. But banks, he said, consciously make it harder to switch "in order to make their customers sticky.""* [Click here for more.]

Henderson & Calhoun - The Scourge of Debit Fees
Wade Henderson and Michael Calhoun (NYT – Room for Debate)
October 19, 2011

"The current firestorm over banks' earnings and a decision to charge [fees to use debit cards] overshadows the bigger issue: we won't have transparent, competitive markets for debit cards and other financial products

until we have basic standards of fairness and a sheriff on the beat to enforce them. Congress should let the new Consumer Financial Protection Bureau do this job. Civil rights and consumer groups have long been concerned about the cost, fairness and accessibility of financial services. Indeed, the economic crisis hurting all Americans was caused by unsustainable mortgages with purposely hidden risks and costs. Fair and sustainable financial products are good for consumers, taxpayers and the overall economy, and even for the banks and their shareholders in the long term. …Congress set up the Consumer Financial Protection Bureau last year to do exactly that. Since opening its doors in July, it already has worked to make financial products easier to understand and compare. However, some members of the Senate are blocking any person from being confirmed as the bureau's director unless the agency is substantially weakened. The way forward is clear: senators must confirm a director for the Consumer Financial Protection Bureau, who, with other bank regulators, should stop the worst debit card abuses, including overdraft and bank payday." Click here for more.

Pew - Hidden or Unexpected Fees Cited as Top Reason Working Poor Close Bank Accounts
Pew Charitable Trusts (press release)
October 18, 2011

"Hidden or unexpected fees" were cited as the number one reason Greater Los Angeles' working poor – those who are employed yet remain in relative poverty– closed bank accounts in the past year, surpassing job loss or lack of money, according to a survey of predominately Hispanic, low-income households released by the Pew Health Group's Safe Banking Opportunities Project. The report, "Slipping Behind: Low-Income Los Angeles Households Drift Further From the Financial Mainstream," finds the ranks of the "unbanked"—those without checking or savings accounts – increased, with more families closing bank accounts (13 percent) than opening them (8 percent) last year. The study notes a safe, affordable bank account enables families to save money securely, pay bills and better plan for their future financial needs. Among the reasons survey participants cite for leaving banks were unexpected or unexplained fees (32 percent), followed by job loss or lack of funds (27 percent). 'In today's economy, where every penny counts, more needs to be done to bring low-income families into the financial mainstream,' said ***Susan Weinstock**, **project director at the Pew Health Group**. 'This data points to a real need for banks to better disclose their fees in a concise, easy-to-understand format.' Click here for more.*

CPSC database faces first legal challenge
Dina ElBoghdady (Washington Post)
October 18, 2011

"A new consumer complaints database faced its first legal challenge this week when a company tried to block the federal agency that runs it from posting what the firm described as 'baseless allegations' against its product. The database, launched in March by the Consumer Product Safety Commission, is a Web site where consumers can report and review incidents involving any of the thousands of products that the agency regulates — from candles to refrigerators." Click here for more.

Loan Customer Wins Early Round In Key Dodd-Frank Preemption Duel
R. Christian Bruce (BNA)
October 14, 2011

"A federal judge has ruled for a loan customer in an early but important round in a suit against Bank of America N.A., holding the National Bank Act does not preempt claims under a West Virginia consumer protection statute (Cline v. Bank of America N.A., S.D. W.Va., No. 2:10-1295, 10/13/11). The 27-page decision, released Oct. 13 by Judge John T. Copenhaver Jr. of the U.S. District Court for the Southern District of West Virginia, marks one of the most important decisions to date on preemption in the wake of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The ruling may be found at: http://op.bna.com/bar.nsf/r?Open=cbre-8mmncq"

Rich Cordray Nomination

Harris - Congress fiddles while anger at Wall Street burns: Plain Dealing
October 8, 2011
Sheryl Harris (The Plain Dealer)

"The Senate banking committee's vote last week to approve Richard Cordray's nomination to lead the Consumer Financial Protection Bureau gets him one step closer to not being confirmed. With 44 senators having already pledged to block confirmation of any candidate for director unless the White House agrees to changes that will weaken the bureau, Cordray's nomination is going nowhere. As are American households. Consumers don't feel as if they can trust the marketplace, several panelists told the senators. And they certainly don't feel the government has their backs. 'Middle-class Americans feel abandoned,' Porter said. Yet the thing that could reassure consumers they'll get a fair shake in the marketplace -- a cop on the financial beat -- is the one that Congress is balking at most. Republicans in the House are actively trying to weaken or eliminate the bureau. Meanwhile, Senate Republicans have vowed to stand in the way of the confirmation of a director, which renders the bureau unable to do much of the work it was created to do, including regulating companies that are not banks but that issue financial products like payday loans, prepaid cards and finance agreements." Click here for more.

37 AGs want Richard Cordray to lead CFPB
Kerri Panchuk (Housing Wire)
October 18, 2011

*"Thirty-seven attorneys general sent a letter to the Senate, urging lawmakers to confirm Richard Cordray as director of the **Consumer Financial Protection Bureau**. The CFPB remains in the middle of a year-long sparring match, where lawmakers continue to debate the structure, funding and management of the consumer protection group. Until a director is named, the CFPB remains in a state of limbo. To date, it's unclear how the bureau will flesh out and define mortgage lending rules outlined in the Dodd-Frank Act." Click here for more.*

Click here to view the full letter.

US PIRG backs Cordray
Ilya Slavinski (LTE for Times Record – Maine)
October 14, 2011

"We applaud the full Senate Banking Committee for its affirmative vote on Oct. 6 to send the nomination of Richard Cordray to direct the CFPB to the Senate floor. Consumers, including senior citizens, students and military service members won't have full protection from financial predators until a CFPB director is confirmed, so we urge the full Senate to quickly vote to confirm the well-qualified and US PIRG-backed Cordray. Unfortunately, 44 Republican senators, including Maine's Sens. Olympia Snowe and Susan Collins have told the president they will oppose the nomination unless the CFPB's power to protect the American people from financial tricks and traps is first gutted. US PIRG is a nonprofit, nonpartisan public interest advocacy organization that takes on powerful interests on behalf of its members. Find more information on the web at uspirg.org. Ilya Slavinski, Portland" *This is the full LTE.*

Seifert: GOP Opposition to Cordray 'A Song and Dance'
Neil W. McCabe (Human Events)
October 20, 2011

*"A leading consumer advocate from Ohio, the home state of the director-designate of the Consumer Financial Protection Bureau (CFPB), in an October 19 interview called on Republicans to quickly confirm the nomination. **Mark B. Seifert, the executive director of Empowering and Strengthening Ohio's People,** said Richard Cordray, who was nominated by President Barack H. Obama Jr., July 17 to be the bureau's first director is a fair and brilliant attorney, who deserves consideration. 'My hope and sense is that what is going on with Republicans is that some of those morons are looking and see that foreclosures are kinda a problem,' Seifert said. … There is buzz that the nomination may move toward confirmation as left-leaning Republican senators seek an accommodation. A Capitol Hill source who asked for their name to be withheld because they are not authorized to speak to the media about the negotiations, said the White House is offering to modify the bureau's structure in exchange for Republicans dropping their opposition. 'They are offering bipartisan board of directors and allowing other financial regulators to veto CFPB decisions if they*

affect safety and soundness,' the source said. 'The White House does not believe that Shelby will take the deal, but they think they can pick off Brown, Collins, Snowe and Corker. Nelson on the Dem side is also in play,' the source said. Shelby's office confirmed that no proposal has been received by the White House for his to consider. The source said Sen. Susan M. Collins (R.-Maine) and Sen. Olympia J. Snowe (R.-Maine) are still solid, but the concern is Sen. Lisa A. Murkowski (R.-Alaska), who did not join Sen. Richard C. Shelby (R.-Ala.) and 43 other GOP senators in signing his [May 5 letter] demanding changes in the bureau. Ohio's Republican Sen. Robert J. Portman continues to sit on the fence, the source said. [After the original posting of this article, Portman aides contacted HUMAN EVENTS to clarify that they and Portman were open to working with the White House and Cordray to address the concerns detailed in the May 5 letter and that Portman's commitment to the letter will not change unless substantive, legislative changes were made to the CFPB including increased accountability. Portman has not seen a proposal from the White House to do that yet.]" Click here for more.

Will Sen. Rob Portman 'Pull a Stupak' and Cave on New Consumer Czar?
Capitol Confidential (Andrew Breitbart's 'Big Government')
October 14, 2011

"In the pitched battle over whether government should take over our health care system, a group of pro-life Democrat congressmen held the line to oppose the legislation because they knew the bill authorized funding for abortion. Under intense pressure from the president and their pro-choice comrades in the Congress, the group, led by Rep. Bart Stupak (D-MI) flip-flopped when they received a letter from the president ensuring that government would not spend money for abortion. They were had. Now Sen. Rob Portman appears ready to 'pull a Stupak.' Under pressure from Democrat Sen. Sherrod Brown, Portman appears ready to cut a deal to confirm former Ohio Attorney General Richard Cordray to a five-year term to head the super-regulatory agency known as the Consumer Financial Protection Bureau (CFPB). Word on Capitol Hill is that Portman has assured Cordray he has no problems with his nomination and is asking for assurances that his concerns about the Bureau will be address – not in legislation, but in a letter. Has Portman learned anything from the Stupak incident? Apparently not. Click here for more.

Upcoming Events

From the CFPB:

The Consumer Financial Protection Bureau (CFPB) invites you to participate in a unique, interactive town hall event in Minneapolis, Minnesota.

Raj Date, Special Advisor to the Secretary of the Treasury on the CFPB, will share remarks about the consumer bureau's mission and current initiatives. The town hall will also include a community panel to learn from community members' experiences with student loans, mortgages, credit cards, and other consumer financial products and services.

The town hall will take place on **Wednesday, October 26, 2011, at 6:30PM** at the **Minneapolis Central Library** (Pohlad Hall), **300 Nicollet Mall, Minneapolis MN.**

The CFPB was created by the Dodd-Frank Wall Street Reform and Consumer Protection Act and is the first federal agency devoted to consumer protection in the financial marketplace. For more information on the Bureau, please visit www.consumerfinance.gov.

This event is open to the public and requires an RSVP. To RSVP, email your full name and your organizational affiliation (if any) to **cfpb.events@cfpb.gov**.

From AFR:

Please join Americans for Financial Reform for a National Grassroots Conference Call with Raj Date, Acting Director of the Consumer Financial Protection Bureau

Date: Friday, October 28, 2011
Time: 1:00-2:00 p.m. EST

On July 21st, the Consumer Financial Protection Bureau – the first ever agency with the sole mission of policing the consumer financial markets and preventing abusive, deceptive and discriminatory lending – opened its doors. Although the agency currently does not have a permanent Director, it is up and running addressing the needs of consumers in the financial marketplace.

Please join us on a special conference call with Raj Date, Acting Director of the Consumer Financial Protection Bureau. Date will join local advocates and consumers from around the country to discuss the Bureau's goals and its current work, and to answer questions.

Space on the call is limited, so please RSVP to CFPBfieldcall@gmail.com **to receive call-in information.**

We expect this will be a large call, so to help get a broader range of questions asked and answered please send your questions to us now at CFPBfieldcall@gmail.com .

RSVP to CFPBfieldcall@gmail.com **and send questions to** CFPBfieldcall@gmail.com **by Thursday October 27th at noon EST.**

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Shadow Markets and Systemic Risk

BofA Said to Split Regulators Over Shifting Merrill Derivatives
Bob Ivry, Hugh Son and Christine Harper (Business Week)
October 18, 2011

"Bank of America Corp., hit by a credit downgrade last month, has moved derivatives from its Merrill Lynch unit to a subsidiary flush with insured deposits, according to people with direct knowledge of the situation. The Federal Reserve and Federal Deposit Insurance Corp. disagree over the transfers, which are being requested by counterparties, said the people, who asked to remain anonymous because they weren't authorized to speak publicly. The Fed has signaled that it favors moving the derivatives to give relief to the bank holding company, while the FDIC, which would have to pay off depositors in the event of a bank failure, is objecting, said the people. The bank doesn't believe regulatory approval is needed, said people with knowledge of its position." Click here for more.

Consultants: Pensions, While Hesitant, Likely to Increase Derivative Use
Paula Vasan (aiCIO)
October 17, 2011

"While there is still a general concern among institutional investors about effectively using derivatives, schemes are increasingly using these investment vehicles to hedge against interest-rate risk. 'We've seen a growing number of especially corporate pensions using derivatives as they pursue liability-driven investment,' Strategic Investment Solutions' Managing Director John Meier told aiCIO*. 'If you're trying to lower pension surplus interest rate risk, using derivatives is definitely effective in order to maintain a reasonable level of return.' Mercer consultant Gordon Fletcher voiced a similar perspective, noting that he has witnessed a much greater interest in derivatives among corporate funds as they look into derisking strategies amid an environment of frozen legacy liabilities." Click here for more.*

GAO - Financial Derivatives: Disparate Tax Treatment and Information Gaps Create Uncertainty and Potential Abuse
GAO-11-750
September 20, 2011

"Taxpayers have used financial derivatives to lower their tax liability in ways that the courts have found improper or that Congress has disallowed. Taxpayers do this by using the ease with which derivatives can

be redesigned to take advantage of the current patchwork of relevant tax rules. As new products are developed, IRS and taxpayers attempt to fit them into existing "cubbyholes" of relevant tax rules. This sometimes leads to inconsistent tax treatment for economically similar positions, which violates a basic tax policy criterion. While the tax rules for each cubbyhole represent Congress's and Treasury's explicit policy decisions, some of these decisions were made long before today's complex financial derivative products were created. Some experts have suggested alternate methods to the current approach for taxing financial derivatives. IRS and Treasury, because of their unique position to define policy and administer the tax code, are best positioned to study and recommend a new approach." *Click here for more.*

Huntsman - 'Too Big to Fail' Is Simply Too Big
John Huntsman (op-ed WS)
October 19, 2011

"Is Dodd-Frank an appropriate regulatory response to the 2007 financial crisis? Tragically, no. That legislation ignores the government's pervasive role in causing the crisis, assures future transfers from taxpayers to bankers by institutionalizing a government backstop for "too big to fail" firms, and imposes massive new regulations and unreasonable compliance costs on smaller banks. As a result, lending to small businesses from small banks suffers." *Click here for more.*

EU reaches deal on naked CDS ban law
Julien Toyer (Reuters)
October 18, 2011

"The European Union agreed on Tuesday to ban "naked" credit default swaps (CDS) on sovereign debt in an attempt to curb what some policymakers see as hedge fund bets on the euro zone crisis. The measure was deadlocked for months because of a split between the European Parliament and EU states, which have joint say. The countries that were against a CDS ban agreed to it after the parliament said they could opt out if the curb was damaging their government debt market. 'It is a very ambitious accord which strengthens financial stability and strengthens the single market for financial services,' Michel Barnier, the EU's financial services chief, told a news conference to announce the deal." *Click here for more.*

US CFTC backs off on systemically key clearinghouses
Reuters
October 18, 2011

"The U.S. Commodity Futures Trading Commission backed away, at least for now, from a plan that imposed heightened financial resource requirements on systemically important clearinghouses whose failure could imperil the market. As part of its Dodd-Frank financial oversight law rulemaking, the CFTC had initially proposed requiring systemically important clearinghouses to maintain enough funds to cover the default of their two largest members. Any other clearinghouse, by contrast, would need only enough money to cover the default of its largest member. But in the final rules on Tuesday [Oct. 18], the CFTC will require clearinghouses only to have enough funds to cover a default by their largest member, regardless of whether they are dubbed systemically important." *Click here for more.*

Liquidity expected to return in swaps market
Telis Demos in New York (FT – registration required)
October 18, 2011

"New structures set to be imposed on the derivatives market by regulation will not permanently impair liquidity, according to a study by the Tabb Group, contrary to some fears in the industry. However, it will remain difficult for new entrants to the challenge big banks as trading profits shrink, despite regulators' efforts to stimulate competition, the report concludes. Kevin McPartland, director of fixed income research at Tabb, a financial industry market research firm, in a survey of 23 swap dealers found that reforms in the US's Dodd-Frank Act such as the introduction of pricing transparency via swap execution facilities and higher margin requirements will not shrink the market over time." *Click here for more.*

Senate Confirms Nominees to Several Key Posts
Andrew Ackerman, Siobhan Hughes and Alan Zibel (WSJ – subscription required)
October 21, 2011

"The Senate has confirmed nominees to several key economic policy and regulatory positions, including a new Commerce Department secretary and members of agencies charged with implementing key parts of last year's Dodd-Frank financial-regulatory overhaul. The Senate, acting late Thursday and early Friday on dozens of nominations before departing for a week-long break, voted 74-26 to confirm John Bryson as Commerce Department secretary. The action ended a battle with Republicans opposed to Mr. Bryson's support for alternative energy and his record as an environmentalist. Mr. Bryson fills the opening created when Gary Locke became ambassador to China in August." Click here for more.

Volcker Rule

Bankers' Objections to Volcker Rule Fail on the Merits: View
By the Editors
October 19, 2011

"Big U.S. banks have found a lot not to like in the Volcker rule. We agree that regulations shouldn't be unduly burdensome. But we see no good reason to share banks' objections on this one. The rule, mandated in the Dodd-Frank Act and named after former Federal Reserve Chairman Paul Volcker, is supposed to bar federally insured banks from making speculative bets for their own account -- the kind of proprietary trading that generates juicy profits and bonuses in good times, but can lead to heavy losses in bad times. The idea is that if traders want to take big risks, they should do it outside deposit-taking institutions that enjoy the explicit backing of U.S. taxpayers. Regulators recently proposed a version of the rule that, while imperfect, hews close to the intent of Dodd-Frank and seeks to narrow loopholes. Given the criticism the proposal has already faced -- including from JPMorgan Chase Chief Executive Officer Jamie Dimon, who said it could put U.S. companies at a "huge disadvantage" -- we thought it would be helpful to address the main objections on the merits." Click here for more.

Kuttner - Simplify Banks and Bank Regulation
Robert Kuttner (Huffington Post)
October 16, 2011

"In January 2010, after Scott Brown's upset victory in the special Massachusetts Senate election, a panicky President Obama managed to sound like a populist for a couple of days. He called for a tax on banking profits and drafted Paul Volcker to appear at a quickie press conference so that the administration could call for something dubbed 'The Volcker Rule.' Volcker, an impeccably conservative former Fed Chair skeptical about the abuses of financial de-regulation, was one of the few elder statesmen in 2010 with any credibility. Though Volcker was an early supporter of Obama and adviser to the campaign, Treasury Secretary Tim Geithner and economic adviser Larry Summers managed to marginalize Volcker because the old man turned out to be leery of their schemes to prop up the big banks without cleaning them out. Even worse, Volcker was nostalgic about the 1933 Glass-Steagall Act, which had staved off big trouble for more than half a century by requiring that federally insured commercial banks stay out of the inherently speculative investment banking business." Click here for more.

Volcker Rule, Once Simple, Now Boggles
James B. Stewart (NYT)
October 21, 2011

"When Paul Volcker called for new rules in 2009 to curb risk-taking by banks, and thus avoid making taxpayers liable in the future for the kind of reckless speculation that caused the financial crisis and resulting bailout, he outlined his proposal in a three-page letter to the president. … In numerous interviews this week with people across the political spectrum, I couldn't find anyone who actually supports this behemoth including Mr. Volcker, whose name it bears. 'I don't like it, but there it is,' Mr. Volcker told me in his first public comments on the sprawling proposal. 'I'd write a much simpler bill. I'd love to see a four-page bill that bans proprietary trading and makes the board and chief executive responsible for compliance. And I'd have strong regulators. If the banks didn't comply with the spirit of the bill, they'd go after them.'" Click here for more.

Click here to view AFR's press statement on the Volcker Rule.

Excerpt:

> *"The Volcker Rule, with its clear ban on both proprietary trading and conflicts of interest, is one of the short list of places where the Dodd-Frank Act imposes an outright ban on Wall Street practices central to the financial crisis. Unfortunately, the proposal issued today falls well short of what the Volcker Rule could and should achieve. It is too weighted toward preserving bank freedom of action, rather than creating the changes in bank practice and culture required by the statute," said **Lisa Donner**, **executive director of Americans for Financial Reform**. "We strongly urge major improvements in the final rule. The serious and widespread economic pain caused by the failures of our financial system, and the growing expressions of public outrage – with more and more people taking to the streets –help make it clear how important it is to get this right," she added.*

Commodity Speculation and Position Limits

CFTC Votes 3-2 to Approve New Limits on Commodity Speculation
Asjylyn Loder and Silla Brush (Bloomberg)
October 18, 2011 2:08 PM ET

"The top U.S. derivatives regulator voted today to curb trading in oil, wheat, gold and other commodities after a boom in raw-materials speculation, record- high prices and years of debate and delay. The rule has been among the most controversial provisions of the Dodd-Frank financial overhaul, enacted last year, which gave the Commodity Futures Trading Commission the authority to limit trading in over-the-counter commodity swaps as well as exchange-traded futures. The proposal would limit the number of contracts a single firm can hold." Click here for more.

Click here to view press statement from IATP and **click here** to view the press statement from Better Markets.

CFTC position limits rule roundly criticized
Brian Scheid (Platts)
October 20, 2011

*"A prediction that Commodity Futures Trading Commission member Scott O'Malia made last week that the agency's final position limits rule 'may offend everyone equally' rang true this week. Shortly after the CFTC voted Tuesday afternoon to approve its long-delayed final position limits rule, criticism began streaming in from both supporters and opponents of the limits. The rule will impose federally mandated limits, in two phases, on 28 physical commodity futures and swaps, including four energy and five metals commodities. …**Tyson Slocum**, director of **Public Citizen's Energy Program**, called the CFTC's position limits 'soft rules that won't take effect until who-knows-when. These limits are simply too permissive to the big banks and allow them to hold positions that are too large.' …**Dennis Kelleher**, **president and CEO of financial reform advocacy group Better Markets,** likewise said that 'much more needs to be done' to limit excess speculation in markets. 'Lower market-wide position limits are essential to restore these markets to their intended purpose of allowing commercial producers and purchasers to hedge.' **Michael Trunzo**, president and CEO of the New England Fuel Institute said he is 'fearful the limit levels themselves may be insufficient to adequately address excessive volatility and speculation. Only time will tell.' 'Compared with what we had, this is a major step forward,' said **Sean Cota, chairman of the Petroleum Marketers Association** of America. 'Compared to what's needed, it's not there yet.' Click here for more.*

CFTC heads for showdown with industry in court
John Kemp (Reuters - the views expressed are his own
October 17, 2011

"With the U.S. Commodity Futures Trading Commission (CFTC) set to vote on Tuesday on a final rule imposing position limits in commodity markets, the battle between the commission and its critics is set to move across Washington to the federal courthouse on Constitution Avenue. The commission has scheduled an open meeting on Oct. 18 to adopt a final rule on position limits for futures and swaps. The vote would not have been arranged if the chairman was not confident he had the necessary three votes out of five to press ahead. So it seems Chairman Gary Gensler has secured the extra vote he needs on top of his own and Commissioner Bart Chilton." Click here for more.

New Study: Commodity Index Funds Distort Market
Ben White (Politico's Morning Money)
October 17, 2011

"From pro-reform group Better Markets: "The analysis reviews commodity markets data over the last 27 years and shows that, since 2005, so-called commodity index funds have triggered an upward price curve in the futures markets when they trade out of an expiring month contract and into a new future month (referred to as the 'roll'). This has resulted in rising prices and costs as well as a boom-and-bust cycle by changing the incentives of producers and consumers of commodities. It also has sent misleading and non-fundamental price signals to the market, which have disrupted the futures and physical commodity markets." http://bit.ly/qhzvfM"

Click here to view Better Markets' press release.

Foodwatch Germany - The Hunger-Makers
Harald Schumann (Foodwatch Germany)
October 2011

"*A Observations* ***-*** *1) High food prices make people go hungry - If people have to spend 80 percent of their income on food – not just 10 to 20 percent as in wealthy industrialized countries – then an increase in the price of grains, bread and other staples poses an existential threat. In 2011, global average prices for wheat, corn and rice were 150 percent higher (after adjustment for inflation) than they had been in 2000. In 2010 alone, higher prices for foodstuffs caused 40 million people to go hungry and live in abject poverty. Speculation on commodity exchanges with food products such as corn, soybeans and wheat is strongly suspected to contribute to poverty and hunger. This concerns us all. If we are paying into a pension fund or life insurance plan, then we may be financing our retirement by speculating on rising food prices. Even though banks and insurance companies reject accusations of wrongdoing, there is growing evidence that investments on markets for raw materials and food are making people go hungry. 2) Commodity trading as a capital investment strategy - Since the beginning of the last decade, the commodity markets – for metals, crude oil, wheat, corn and soybeans, among others – have been a favored target of investors. Financial institutions promise in their advertising that a growing global population and economic expansion will create steady demand for commodities and therefore turn the purchase of raw materials into a profitable business. At any rate, this is what is said, and investors have this expectation. As a consequence, pension funds, insurance companies, foundations and a large number of individual investors have invested more than 600 billion dollars at commodity exchanges." English summary: Click here for more.* ***Note the full report is in German and you can click here for it.***

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Foreclosures and Housing

Officials widen release offer to US banks
Shahien Nasiripour in New York (FT – registration required)
October 20, 2011

"US state and federal officials plan to give the country's largest mortgage servicers wider protection against legal claims in exchange for refinancing help for existing borrowers, as talks on a $25bn settlement of alleged foreclosure improprieties advance. The proposed agreement would settle allegations that Bank of America, JPMorgan Chase, Wells Fargo, Citigroup and Ally Financial engaged in faulty mortgage practices, including employing so-called 'robosigners' – agents who processed foreclosure filings en masse without examining the underlying paperwork – that abused homeowners' rights and led to wrongful home seizures. The banks declined to comment." Click here for more.

US states near foreclosure deal with banks
Aruna Viswanatha (Reuters)
October 18, 2011

"Talks between U.S. states and top banks over mortgage abuses are nearing agreement on resolving a major sticking point that has bogged down settlement negotiations for more than a year. A deal could be

reached by the end of the month, according to three people familiar with the talks. Under the proposed terms of the settlement -- which could total $25 billion -- banks would get a broader relief from potential state civil lawsuits in exchange for refinancing underwater loans, those mortgages where borrowers owe more than their homes are worth, the sources said. … Originally, the states were only considering legal protection for shortcuts taken during mortgage servicing and foreclosures, including the so-called "robo-signing" of documents to evict people behind on their mortgages. In recent days, the state attorneys general agreed to release major banks from claims that they made legal errors when first originating the loans, such as approving loans for borrowers without verifying any income, according to two people familiar with the talks. In exchange, banks would agree to refinance mortgages for borrowers who are current on their payments but owe more than their homes are currently worth, the sources said." *Click here for more.*

Plan Floated to Spread Risk in Mortgage Bonds
Alan Zibel (WSJ – subscription required)
October 14, 2011

"The Obama administration and a federal housing regulator are considering a program to draw private investment back into the government-dominated mortgage market by having Fannie Mae and Freddie Mac sell slices of securities that wouldn't carry a federal guarantee but would pay a higher interest rate than current mortgage-backed bonds. No decisions have been made, but officials believe a small pilot program could be rolled out sometime next year, according to people familiar with the matter." *Click here for more.*

Coakley may sue lenders for foreclosure abuses
Jenifer B. McKim (Boston Globe)
October 18, 2011

"Massachusetts Attorney General Martha Coakley said she is preparing to sue some mortgage lenders for foreclosure-related improprieties, including allegations that the companies have threatened homeowners with property seizures and unwarranted fees even after granting them permanent loan modifications. 'To the extent that banks are not meeting their obligations, this conduct is inexcusable and my office will work to hold them accountable,' said Coakley, who did not name the lenders she is targeting for litigation." *Click here for more.*

California reportedly subpoenas BofA over toxic securities
Alejandro Lazo and E. Scott Reckard (LAT)
October 20, 2011

"Investigators with the state attorney general's office have subpoenaed Bank of America Corp. in connection with the sale and marketing of troubled mortgage-backed securities to California investors, according to a person familiar with the probe. The state is trying to determine whether the bank and its Countrywide Financial subsidiary sold investments backed by risky mortgages to institutional and private investors in California under false pretenses, according to the person, who was not authorized to speak publicly and requested confidentiality. The subpoenas, which were served Tuesday, come as talks continue for a broad foreclosure settlement by a coalition of state attorneys general and federal agencies. California walked away from those discussions with major banks more than two weeks ago, saying what the banks were offering was not enough and the state would pursue its own investigations." *Click here for more.*

Citigroup to pay $285 million to settle fraud case
Jonathan Stempel and Aruna Viswanatha (Reuters)
October 19, 2011

"Citigroup Inc will pay $285 million to settle charges that it defrauded investors who bought toxic housing-related debt that the bank bet would fail, the U.S. Securities and Exchange Commission said on Wednesday. The SEC said the bank's Citigroup Global Markets unit misled investors about a $1 billion collateralized debt obligation by failing to reveal it had 'significant influence' over the selection of $500 million of underlying assets, and that it took a short position against those assets." *Click here for more.*

Home Sale After Bad Foreclosure Isn't Valid, Court Rules
Thom Weidlich (Business Week)
October 18, 2011

"A Massachusetts man who bought property in a faulty foreclosure sale isn't the true owner and so doesn't have the right to sue over it, the state's high court ruled. The Supreme Judicial Court, which in January found that banks can't foreclose on a house if they don't own the mortgage, went one step further in a closely watched case and said a sale after that foreclosure doesn't transfer the property. Therefore, the buyer couldn't bring his court action against a previous owner, the court ruled." Click here for more.

Fannie, Freddie End Lawyer Networks Amid Foreclosure Woes
Lorraine Woellert (Bloomberg)
October 18, 2011

"Fannie Mae and Freddie Mac will phase out their foreclosure attorney networks in the wake of the so-called robo-signing scandal, the companies' regulator said. The Federal Housing Finance Agency directed the companies to transition to a system that allows mortgage servicers to select their own law firms for processing defaults and foreclosures, rather than relying on a pool of attorneys designated by Fannie Mae or Freddie Mac." Click here for more.

Gloom Grips Consumers, and It May Be Home Prices
Binyamin Appelbaum (NYT)
October 18, 2011

"Ernest Markey lost his stone-cutting business in 2009. He then sold his home for half a million dollars less than its value at the peak of the housing bubble and moved with his wife, Marie, to a smaller home in a less affluent suburb. They gave up two new cars and bought one. Used. … The United States has a confidence problem: a nation long defined by irrational exuberance has turned gloomy about tomorrow. Consumers are holding back, businesses are suffering and the economy is barely growing. … That has led a growing number of economists to argue that the collapse of housing prices, a defining feature of this downturn, is also a critical and underappreciated impediment to recovery. Americans have lost a vast amount of wealth, and they have lost faith in housing as an investment. They lack money, and they lack the confidence that they will have more money tomorrow." Click here for more.

Levitin - The Sweep-It-Under-the-Rug Housing Plan
Adam Levitin (Creditslips.com)
October 18, 2011

"There is $700 billion in negative equity in the US. That is the critical figure. Any housing plan that doesn't take a serious bite out of that $700 billion isn't worth discussing. It's just window dressing. And that's exactly what the latest iteration of the Tom Miller-led AG mortgage servicing settlement is. Sure it's been sweetened by the addition of some interest rate reductions for underwater, but current homeowners (discussed at the end of this post), but that's small potatoes. The latest settlement proposal is an exercise in rearranging deck chairs on the Titanic. *It's time that we recognize that negative equity is the critical problem in the US economy. Fix negative equity and you will fix the US economy. That is because negative equity is the key for repairing household balance sheets, and that is the catalyst for getting consumers spending again, getting banks lending again, and getting businesses hiring again. If we're serious about dealing with negative equity, we need to address it directly and not engage in an extend and pretend dance." Click here for more.*

Ulam - Why a Mortgage Cramdown Bill Is Still the Best Bet to Save the Economy
Alex Ulam (The Nation)
October 20, 2011

"Many Americans believe that the financial crisis stems from the Bush administration's running up the federal debt and out-of-control spending by the American consumer. But much of the blame for the country's current economic woes lies with the Obama administration's failure to forcefully tackle the biggest threat to the American economy today: the housing crisis. Nearly six million Americans have already lost their homes to foreclosure since the housing bubble popped, and about 3.5 million are in foreclosure proceedings. But the worst is yet to come. This past September, a US Senate Banking subcommittee heard testimony from a prominent mortgage industry analyst that 10.4 million mortgages, approximately one out of every five outstanding mortgages in the country, could default, if Congress does not take action to address the housing crisis." Click here for more.

Debate on housing restart questions 30-year fixed-rate mortgages
Jon Prior (Housing Wire)
October 20, 2011

*"Lawmakers continue to inch toward a new structure for housing finance in the U.S., one that may conceivably herald the end of the hugely popular 30-year, fixed-rate mortgage. The Senate Banking Committee heard conflicting testimony Thursday about the issue. Without some form of **Fannie Mae** and **Freddie Mac**, replacements to support these popular loans, many first time borrowers will be shut out, said Janis Bowdler, senior policy analyst at the **National Council of La Raza**."* *Click here for more.*

Click here to view testimony from the hearing entitled "Housing Finance Reform: Continuation of the 30-year Fixed-rate Mortgage".

REO sales may not peak until 2013
Jon Prior (Housing Wire)
October 18, 2011

*"The sale of properties repossessed through foreclosure may not peak until 2013, keeping home prices from a meaningful recovery for some time, analysts estimated Monday. Nearly half of the more than 552,000 REO properties liquidated in the first half of 2011 were held by private banks. In the years ahead, the government — including the **Department of Housing and Urban Development**, **Fannie Mae** and **Freddie Mac** — will begin taking a majority of the activity. In 2013, REO sales could reach 1.48 million properties, according to estimates from **Bank of America Merrill Lynch** analysts, a 10% increase from projected amount in 2012." Click here for more.*

Inside Countrywide, a 'counseling meeting' then termination
Michael Hudson (iWatchnews.org)
October 18, 2011

"Days before Mari Eisenman was to undergo cancer surgery, a senior vice president with her employer, Countrywide Financial Corp., called her in for a 'counseling meeting.' The impetus for the meeting, according to Eisenman: her complaints that workers at her branch in Colorado were falsifying documents and manipulating the home appraisal process. The executive, Eisenman later claimed in a lawsuit, chastised her for causing trouble, complaining that one of the executive's protégés had been suspended because of her whistleblowing." Click here for more.

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Executive Compensation

Growing Income Gap May Leave U.S. Vulnerable
David J. Lynch (Bloomberg)
October 13, 2011

"A widening gap between rich and poor is reshaping the U.S. economy, leaving it more vulnerable to recurring financial crises and less likely to generate enduring expansions. Left unchecked, the decades-long trend toward increasing inequality may condemn Wall Street to a generation of unimpressive returns and even shake social stability, economists and financial-industry executives say." Click here for more.

Goldman Execs Stay Fat and Happy
Gary Rivlin (Daily Beast)
October 18, 2011

"Today's Goldman Sachs earning reports provides a valuable lesson on how things really work inside Wall Street's largest investment houses. Goldman Sachs had an awful three months, losing $428 million in the third quarter of 2011, and yet it continued to shovel billions into the bonus pool it will share with its employees at year's end. Through the first nine months of 2011, Goldman set aside $10 billion in its compensation fund. If Goldman's 30,000 employees split that bounty evenly, that would work out to

$333,000 per person—plus the billions more Goldman will no doubt set aside in the last few months of the year." [Click here for more.]

Coming Soon: #Occupy [Name of Your Company Here]
Broc Romanek (The Corporate Counsel.net)
October 20, 2011

"As we all begin to plan for another wild proxy season, I wonder how many are planning for the potential of major disruptions at their annual shareholder meetings as Occupy Wall Street-type protests quickly spread to avenues that we never dreamed of. Are you planning for protests at your annual meeting? How about one of your board meetings? Your CEO's house? Your CEO's golf game? Or when your CEO lands in the corporate jet at the airport? Or any of these for one - or more - of your directors?" [Click here for more.]

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Student Lending

Student loans outstanding will exceed $1 trillion this year
Dennis Cauchon (USA Today
October 19, 2011

"Students and workers seeking retraining are borrowing extraordinary amounts of money through federal loan programs, potentially putting a huge burden on the backs of young people looking for jobs and trying to start careers. The amount of student loans taken out last year crossed the $100 billion mark for the first time and total loans outstanding will exceed $1 trillion for the first time this year. Americans now owe more on student loans than on credit cards, reports the Federal Reserve Bank of New York. …Taxpayers and other lenders have little risk of losing money on the loans, unlike mortgages made during the real estate bubble. Congress has given the lenders, the government included, broad collection powers, far greater than those of mortgage or credit card lenders. The debt can't be shed in bankruptcy." [Click here for more.]

For-profit colleges focus of student loan issue
Dennis Cauchon (USA Today)
October 18, 2011

"Federal student aid is increasingly flowing to for-profit colleges and universities, raising concerns about whether the money is being well-spent. The federal government has promoted and subsidized loans as a way to help young people and workers get the education needed to succeed in a troubled economy. The government made or guaranteed more than 80% of the $1trillion in loans outstanding and backed more than 90% of new loans this year." [Click here for more.]

Student Loans: The ARM Industry's New Oil Well?
Mark Russell & Kaulkin Ginsberg (Inside ARM.com – Accounts Receivable Management)
October 20, 2011

"I just registered for next week's Department of Education Private Collection Agency (PCA) meeting on October 26th and can't wait to hear what they have to share. Why is this meeting so important to me? Because we are going to find out about the upcoming debt collection contract, slated for 2013. While the Department of Education debt collection contract has been one of the most highly sought after contracts within the ARM industry for years, I believe it is now THE most sought after contract within this industry, centered within the most sought after market – Student Loans. And while I appreciate that many ARM business owners and executives already have their sights set on this market, here are three main reasons why I believe that the student loan market, and the Department of Education, will have the greatest impact on the ARM industry over the next 10 years:" [Click here for more.]

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FTT

Merkel Says Won't Accept U.S. Balking at Finance Transaction Tax
Rainer Buergin (Bloomberg)
October 15, 2011

"German Chancellor Angela Merkel criticized governments including President Barack Obama's administration for refusing to make the financial sector pay for the global financial crisis, and vowed to push for a financial transaction tax until it applies at least in Europe. 'It's not acceptable that especially those outside the euro region, who are time and again pushing us to take broad- based action to manage the debt crisis, are at the same time flatly refusing to impose a financial transactions tax,' Merkel said at a labor union congress in the city of Karlsruhe yesterday. 'I think this is not okay. We want, and we have to make, financial market participants contribute to the costs of crisis management.'" Click here for more.

Sarkozy Demands Financial Transaction Tax
William Horobin (Dow Jones Newswires)
October 21, 2011

"French President Nicolas Sarkozy Friday reiterated his call for a global financial tax to finance development, saying that Germany and France are demanding such a move. Speaking at the Development G-20 conference, Sarkozy said a minimum of leading countries should adopt such a tax, and that would lead the way for others to follow. 'At a time when states are making remarkable efforts to restore their public finances... how can the financial sector triumphantly continue to march, indifferent to the world around it, carelessly and without a care for the disorder it has more than its share in causing,' Sarkozy said." This is the entire article.

Nurses to Obama: Push for a Global Financial Transaction Tax, Now!
Rose Ann DeMoro (Alternet.org)
October 20, 2011

"Will President Obama be the main holdout when world leaders, under growing pressure from the occupy Wall Street protests across the world and demand building for a tax on international financial transactions, meet early next month at the G-20 summit in France? Nurses from at least four continents, including a U.S. delegation from National Nurses United, will deliver that message November 3 at the G-20 summit meeting November 3 in Cannes – urging enactment of a financial transaction tax that could raise hundreds of billions of dollars a year to heal global economies, promote sustainable development and environmental security, and strengthen quality public services." Click here for more.

Nurses to Send Message to President Obama, Set March on Treasury Dept., Join RNs From Across Globe at G-20 Summit Nov. 3 as Call Grows for Financial Transaction Tax
Press Release
October 21, 2011

"With a growing international call for a tax on financial transactions to heal global economies, National Nurses United will bring the demand to the doorstep of the U.S. Treasury Department November 3 calling on Treasury Secretary Timothy Geithner and the Obama administration to get on board, and end lobbying efforts at home and abroad against a Wall Street tax. The Washington protest begins with Lafayette Square rally at 11:30 a.m. RNs are also asking people to call the White House, 202-224-3121, and demand the Obama administration support the global movement for a financial transaction tax (FTT)." Click here for more.

Baker - Ken Rogoff Misses the Boat on Financial Speculation Taxes
Dean Baker (CEPR)
October 4, 2011

"In a profession that is controlled almost exclusively by people who completely overlooked the largest asset bubbles in the history of the world, Ken Rogoff earns at least a "B" for his early warnings of dangerous economic imbalances. However, his column criticizing financial speculation taxes (FST) is more on a par with the work of his hopelessly lost colleagues. The column argues that an FST of the size being considered by the European Union (EU) would reduce the information content of prices, reduce liquidity, and have no

appreciable impact on volatility. In the long-run they will raise the cost of capital and therefore slow growth, and not end up raising much revenue." *Click here for more.*

Cuban - My Soapbox Advice to the OWS Movement and then some
Mark Cuban (Blog Maverick)
October 14, 2011

*"I may not know much, but I know a lot of it. So I decided to share my opinions and thoughts on what I would do if the OWS movement either elected me Grand Poobah or asked for my advice …**Tax the Hell Out of Wall Street; Give it to Main Street** In a world of High Frequency Trading and black box trading that does nothing but create a platform for "financial hackers" to turn the market into their own proprietary financial playground, we need to figure out a way to revert the Stock and Bond Markets, and the derivative instruments created from these equities, back to their original purpose, a place to raise capital for growing business. Instead, today its a platform for financial engineers and hackers looking to exploit every and any opportunity. When 60pct or more of trades are from High Frequency/Algorithmic traders and the correlation for every market index rushes past .7, the market is no longer a market, its a platform. **You see, in the real business world there is always a trade off between risk, reward and the law of unintended consequences. If we have learned anything from the past 12 years it should be that black swan events happen more frequently than we like and that the law of unintended consequences has a far greater negative impact than business as usual has a positive impact."*** *Click here for more.*

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Interchange

Durbin presses Wells Fargo on new fees amid rising profits
Vicki Needham (The Hill)
October 19, 2011

"Democratic Sen. Dick Durbin is casting a wider net of criticism for banks introducing new debit card fees. The Illinois senator sent a letter to Wells Fargo chief John Stumpf on Wednesday, asking for an explanation as to why it is considering adding new fees for debit cards following the announcement of the bank's 21 percent increase in third-quarter profits on Tuesday. 'Your spokesperson's claim that Wells Fargo needs to charge all its customers an additional monthly fee of more than $3 in order to make up the 'cost' of providing debit cards simply does not add up,' Durbin wrote. 'Instead of making up costs, your new consumer fee appears to be a plain attempt to increase your profits, even though your bank just reported third-quarter profits that hit a record high.'" *Click here for more.*

In Battling Merchants, Banks Still Hope to Overturn Durbin Rules
Robb Mandelbaum (NYT – 'You're the Boss: The Art of Running a Small Business)
October 17, 2011

"The Durbin Amendment — the legislation that limits the fees banks can earn for debit card transactions to a scale that is 'reasonable and proportional' — was signed into law more than a year ago. It survived the financial sector's strong objections to the Federal Reserve's aggressive first swing at regulating those fees, as well as subsequent efforts in Congress to delay adoption of the new rules. Those new rules, which were eventually watered down in a compromise that left advocates fuming, took effect Oct. 1. Even so, opponents persist. Last week they rallied behind a pair of junior representatives, one Republican and one Democrat, who on Tuesday introduced a bill to turn the clock back on interchange fees. 'The Durbin Amendment is an affront to consumers and the banking industry,' said Rep. Jason Chaffetz, a Utah Republican, in a news release. 'These legislatively enacted price controls have compelled banks to charge consumers higher (and in some cases new) fees to make up for lost revenue.'" *Click here for more.*

Debit Card Fees on the Rise: Top Ways to Avoid Paying Extra
Tim Chen (Business Insider)
October 19, 2011

"Debit cards rose to power for two reasons: convenience and affordability. They provide a direct link to your existing funds that is quick and (used to be) free. But with the proliferation of bank fees, debit may be on its

way out. The [Durbin Amendment] was intended to cut retailers and consumers a break by reducing interchange fees. When merchants accept debit as payment, they pay the corresponding bank cut of the money. Before Durbin, the average interchange fee was 44 cents per debit card purchase. The amendment caps interchange fees at 21 cents plus .05% of the transaction (and another cent if certain security measures are taken). This might initially sound like a feasible strategy for easing the strain on merchants, but card networks and banks won't let their money slip away so easily. To make up for lost interchange fees, banks are imposing debit card fees, shifting the burden from merchants to consumers. Starting next year, Bank of America will charge debit users $5 every month they swipe their card. Some banks, like Wells Fargo and Chase, are currently testing similar monthly fee programs. Nobody is thrilled about shelling out $60 a year for a service that was once free. If you're not a fan of losing money to frivolous fees, you'll want to start looking into alternatives." Click here for more.

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Other

Should the Dodd-Frank Act Be Repealed?
Debate Club- U.S. News & World Report)
October 17, 2011

"Passed in July 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act seeks to prevent financial crises like the one that sunk the economy in 2008. Among other things, it created the Bureau of Consumer Financial Protection within the Federal Reserve, and it instituted more than 200 new rules meant to promote transparency and limit risk within the finance industry. It was touted as the largest reform of financial regulation since the Great Depression. Though passed with bipartisan support, it since has been heavily criticized. Many argue that the regulations hurt economic growth and are misdirected. At a recent GOP presidential debate in New Hampshire, the act came under fire, with many of the candidates promising to repeal Dodd-Frank if elected into office. Here is the Debate Club's take on whether the Dodd-Frank Wall Street Reform Act should be repealed: The Arguments No — Wall Street Reform laid a foundation for financial stability, TIM JOHNSON, Chairman of the Senate Banking, Housing and Urban Affairs Committee ; No — Though not perfect, there are more things right than wrong with Dodd-Frank, DOUGLAS ELLIOTT, Fellow at Brookings Institute; Yes — Some parts of Dodd-Frank should be repealed, JAMES ANGEL, Professor at Georgetown University; No — If anything, they Dodd-Frank Act should have been stronger, DEAN BAKER, Author of 'The End of Loser Liberalism: Making Markets Progressive'; Yes — We should repeal Dodd-Frank and start over, DAVID JOHN, Fellow at the Heritage Foundation" Click here for more.

Geithner Warns More Wall Street Prosecutions To Come
FIN Alternatives
October 17, 2011

"U.S. Treasury Secretary Timothy Geithner says Americans should "stay tuned" for more prosecutions of law-breaking Wall Street financiers. Geithner made the comments on Friday during a CNBC television interview, countering a suggestion that Occupy Wall Street protesters are angry over the lack of prosecution of the bankers behind the 2008 financial crisis.'That's not true,' said Geithner. 'You've seen very, very dramatic enforcement actions already ...across the U.S. government and I'm sure you're going to see more to come. You should stay tuned for that.' The Treasury Secretary also said that although the government faces "a lot of resistance" to new regulations intended to prevent a replay of the crisis, it was determined to implement reforms to protect consumers. U.S. Treasury Secretary Timothy Geithner says Americans should "stay tuned" for more prosecutions of law-breaking Wall Street financiers." This the full article.

Wall Street Has Worst Quarter for Banking, Trading Since Financial Crisis
Michael J. Moore (Bloomberg)
October 20, 2011

"The biggest Wall Street firms posted their worst quarter in both trading and investment banking since the depths of the financial crisis as they face questions about the future of their business. JPMorgan Chase & Co. (JPM), Bank of America Corp. (BAC), Citigroup Inc. (C), Goldman Sachs Group Inc. (GS) and Morgan Stanley posted $13.5 billion in trading revenue minus accounting gains for the third quarter, down 35 percent

from a year earlier. Investment- banking revenue plunged 41 percent from the second quarter to $4.47 billion. Bank of America posted a roughly 90 percent drop in fixed- income trading revenue and Goldman Sachs had its lowest debt underwriting quarter since 2003. Corporations put off capital raises and investors sold riskier assets on concern that the U.S. economy was slowing and Europe's debt crisis would spread." Click here for more.

Big US banks hurt by struggling consumers
Tom Braithwaite, Shahien Nasiripour and Ajay Makan in New York (FT – registration required)
October 17, 2011

"Fears about the health of US consumer balance sheets grew on Monday as Citigroup and Wells Fargo joined JPMorgan Chase in reporting new signs that homeowners and credit-card borrowers are falling behind on their payments. The banks' third-quarter results were hit by expected declines in investment banking, reflecting turbulence in global markets. But the reports also revealed weakness in the consumer side of their businesses – with mortgage delinquency numbers suggesting that record low mortgage rates and government loan modification programmes are failing to help a large swathe of homeowners." Click here for more.

Hedges Haunt Morgan Stanley
Serena Ng and Aaron Lucchetti (WSJ – subscription required)
October 18, 2011

"As Morgan Stanley works to calm fears about its exposure to global markets, the Wall Street firm still is trying to clean up a mess that shows the difficulty of putting the financial crisis behind it. Since late 2007, the securities firm has lost about $2.8 billion from its financial exposure to bond-insurance companies, in part because trades it put on to cap potential losses have backfired, according to regulatory filings." Click here for more.

GAO warns of Fed conflicts
Josh Boak (Politico)
October 29, 2011

"The Federal Reserve faces possible conflicts of interest by having financial and banking executives serving on its regional boards, according to a new report Wednesday by the Government Accountability Office that calls for greater transparency. As illustrated by the emergency measures taken by the Fed between 2007 and 2009 to stabilize markets and save some banks from failing, the overlap between bankers and their regulator poses 'reputational risk,' the report noted." Click here for more.

Milstead - A desperate Obama kicks Sarbanes-Oxley halfway to the curb
David Milstead (Globe and Mail – Canada)
October 17, 2011

*"In this, the disappointing denouement of Barack Obama's first term — and quite likely his entire presidency — the paramount concern is jobs, jobs, jobs. A Jobs Council, packed with CEOs, is hard at work developing a bouillabaisse of proposals to help get the U.S. back to work. In its most recent interim report, the Jobs Council took aim at what it saw as a problem: the investor-protection laws, notably Sarbanes-Oxley, created in the wake of the disasters at Enron and WorldCom. The council suggests exempting U.S. companies with a market capitalization of $1-billion or less, or, alternatively, giving companies a five-year pass from Sarbanes-Oxley from the date they go public. …Meanwhile, as noted by **Barbara Roper**, **the director of investor protection at the Consumer Federation of America**, Sarbanes-Oxley can't be blamed for the share of IPOs smaller than $50-million falling from 80 per cent in the 1990s to 20 per cent in the 2000s. The internal-controls audit requirement, **Ms. Roper** notes, was never implemented for companies under $75-million in market capitalization. A more likely factor: the 1990s stock-market bubble, which ended rather decisively in the first year of the following decade. 'The Jobs Council looks at job losses that are the direct result of a financial crisis brought on by weak financial regulation and proposes as a solution further weakening regulations,' **Ms. Roper** says. '[The pre-Sarbanes Oxley] accounting scandals, and the costly restatements that followed, were the job killers. If this proposal is adopted, we can expect a repeat of that painful lesson, with even worse consequences for our fragile economy.'" Click here for more.*

NYT Editorial - Not Their Job (Sarbanes-Oxley)
NYT editorial
October 19, 2011

"President Obama's Council on Jobs and Competitiveness has some promising job growth ideas, including ways to speed up projects in energy and infrastructure. But the 27-member council — made up mostly of corporate executives, along with a handful of investors, labor leaders and academics — has indulged in outrageous special pleading, with its assault on Sarbanes-Oxley, the antifraud law passed in 2002 in response to Enron, WorldCom and the dot-com bust. … Watering down Sarbanes-Oxley has long been a goal of corporate America, despite studies by the Securities and Exchange Commission showing that the law has reduced errors and fraud, and that changes to the law have made it easier for companies to comply. … The council has done itself and President Obama a disservice, misusing a public forum to advance proposals that would benefit the few at the expense of the many." Click here for more.

Berman - How The Austerity Class Rules Washington
Ari Berman (The Nation)
October 19, 2011

"In September the Committee for a Responsible Federal Budget (CRFB), a bipartisan deficit-hawk group based at the New America Foundation, held a high-profile symposium urging the Congressional 'supercommittee' to 'go big' and approve a $4 trillion deficit reduction plan over the next decade, which is well beyond its $1.2 trillion mandate. The hearing began with an alarming video of top policy-makers describing the national debt as 'the most serious threat that this country has ever had' (Alan Simpson) and 'a threat to the whole idea of self-government' (Mitch Daniels). If the debt continues to rise, predicted former New Mexico Senator Pete Domenici, there would be 'strikes, riots, who knows what?' A looming fiscal crisis was portrayed as being just around the corner. The event spotlighted a central paradox in American politics over the past two years: how, in the midst of a massive unemployment crisis—when it's painfully obvious that not enough jobs are being created and the public overwhelmingly wants policy-makers to focus on creating them—did the deficit emerge as the most pressing issue in the country? And why, when the global evidence clearly indicates that austerity measures will raise unemployment and hinder, not accelerate, growth, do advocates of austerity retain such distinction today? An explanation can be found in the prominence of an influential and aggressive austerity class—an allegedly centrist coalition of politicians, wonks and pundits who are considered indisputably wise custodians of US economic policy. …Its members include Wall Street titans like Pete Peterson and Robert Rubin; deficit-hawk groups like the CRFB, the Concord Coalition, the Hamilton Project, the Committee for Economic Development, Third Way and the Bipartisan Policy Center; budget wonks like Peter Orszag, Alice Rivlin, David Walker and Douglas Holtz-Eakin; red state Democrats in Congress like Mark Warner and Kent Conrad, the bipartisan "Gang of Six" and what's left of the Blue Dog Coalition; influential pundits like Tom Friedman and David Brooks of the New York Times*, Niall Ferguson and the* Washington Post *editorial page; and a parade of blue ribbon commissions, most notably Bowles-Simpson, whose members formed the all-star team of the austerity class." Click here for more.*

At UBS, Chief Pushes New Cuts
Francesco Guerrera and Deborah Ball (WSJ – subscription required)
October 20, 2011

"Under pressure to revive UBS AG's fortunes and help the firm recover from a rogue-trading scandal, the Swiss bank's interim chief is preparing to shrink its once high-flying investment-banking unit. Sergio P. Ermotti, who has been at the helm for less than a month, has ruled out a sale or spinoff of the investment bank but has decided to significantly reduce its scope and size in order to bolster UBS's focus on its giant wealth management business, according to people familiar with his thinking." Click here for more.

J.P. Morgan Chase gives $10 million grant to Brookings Institution
Michael A. Fletcher (Washington Post)
October 19, 2011

"J.P. Morgan Chase is giving $10 million to the Brookings Institution to underwrite an initiative aimed at quantifying and expanding the economic reach of the nation's 100 largest metropolitan areas. The effort will be headed by former Chicago mayor Richard M. Daley, who will use his 22 years of experience leading one of the nation's largest cities to help guide the effort and consult with local leaders." Click here for more.

Obama still flush with cash from financial sector despite frosty relations
Dan Eggen and T.W. Farnam (Washington Post)
October 19

"Despite frosty relations with the titans of Wall Street, President Obama has still managed to raise far more money this year from the financial and banking sector than Mitt Romney or any other Republican presidential candidate, according to new fundraising data. Obama's key advantage over the GOP field is the ability to collect bigger checks because he raises money for both his own campaign committee and for the Democratic National Committee, which will aid in his reelection effort." Click here for more.

Hedge funds top list of Obama boosters
Lawrence Delevingne (Absolute Return + Alpha)
October 20, 2011

"Not everyone has jumped to the Romney campaign. Has the hedge fund industry really abandoned Barack Obama? Clearly, the industry's 2008 honeymoon period with the President is over, but Obama's recently released list of top fundraisers, better known as bundlers, includes many names from hedge funds and funds of funds. The largest supporters as of the third quarter of 2011 include David Shaw, founder of D. E. Shaw & Co. and Orin Kramer of Boston Provident." Click here for more.

President Obama at war -- with himself -- over Wall Street
Carrie Budoff Brown (Politico)
October 21, 2011

"First, the White House signaled it would make anger toward Wall Street central to President Barack Obama's reelection campaign. But then, Obama warned against demonizing all of Wall Street — only a few days before he sympathized with the Occupy Wall Street protesters who do exactly that. And that's just what the president and his team have said since Saturday. The White House's Wall Street whiplash stretches to the earliest days of the administration, with Obama conciliatory one minute and confrontational the next.

His zigzags between embracing the business community and vilifying it have shadowed his presidency, exposing him to charges from Wall Street that he's out to get them and from liberals that he coddles Big Business. Based on his own statements, Obama himself can appear undecided about which way to go — an incoherence that has left both sides dissatisfied as he seeks reelection." Click here for more.

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Upcoming Events

From the CFPB:

The Consumer Financial Protection Bureau (CFPB) invites you to participate in a unique, interactive town hall event in Minneapolis, Minnesota.

Raj Date, Special Advisor to the Secretary of the Treasury on the CFPB, will share remarks about the consumer bureau's mission and current initiatives. The town hall will also include a community panel to learn from community members' experiences with student loans, mortgages, credit cards, and other consumer financial products and services.

The town hall will take place on **Wednesday, October 26, 2011, at 6:30PM** at the **Minneapolis Central Library** (Pohlad Hall), **300 Nicollet Mall, Minneapolis MN.**

The CFPB was created by the Dodd-Frank Wall Street Reform and Consumer Protection Act and is the first federal agency devoted to consumer protection in the financial marketplace. For more information on the Bureau, please visit www.consumerfinance.gov.

This event is open to the public and requires an RSVP. To RSVP, email your full name and your organizational affiliation (if any) to **cfpb.events@cfpb.gov**.

From Americans for Financial Reform:

Please join Americans for Financial Reform for a National Grassroots Conference Call with Raj Date, Acting Director of the Consumer Financial Protection Bureau

Date: Friday, October 28, 2011
Time: 1:00-2:00 p.m. EST

On July 21st, the Consumer Financial Protection Bureau – the first ever agency with the sole mission of policing the consumer financial markets and preventing abusive, deceptive and discriminatory lending – opened its doors. Although the agency currently does not have a permanent Director, it is up and running addressing the needs of consumers in the financial marketplace.

Please join us on a special conference call with Raj Date, Acting Director of the Consumer Financial Protection Bureau. Date will join local advocates and consumers from around the country to discuss the Bureau's goals and its current work, and to answer questions.

Space on the call is limited, so please RSVP to CFPBfieldcall@gmail.com **to receive call-in information.**

We expect this will be a large call, so to help get a broader range of questions asked and answered please send your questions to us now at CFPBfieldcall@gmail.com .

RSVP to CFPBfieldcall@gmail.com **and send questions to** CFPBfieldcall@gmail.com **by Thursday October 27th at noon EST.**

From The New Bottom Line: Schedule of Direct Actions Demanding that Wall Street "Pay US Back"

Denver	October 25-29	Direct actions targeting Wells Fargo on foreclosures, predatory/payday lending, and private prison divestment.
Honolulu	November 5-7	All-day conference kicking off New Bottom Line campaign in Hawaii, clergy leaders speaking at more than dozen Oahu churches. Holding events/actions during Asian Pacific Economic Conference.

From the Institute for Agriculture and Trade Policy:

Join us for a Webinar on October 25

Commodity price volatility driven by financial institution speculation continues to increase raw materials costs for businesses and the cost of consumer goods, particularly food and energy. U.S. commodity regulators are scheduled to vote on October 18 on an important rule to limit control of commodity contracts by financial speculators. European Union legislation affecting commodity markets, particularly "dark market" practices, is scheduled for release on October 20. Both U.S. and EU regulation of commodity markets is supposed to be consistent with Group of 20 finance minister recommendations on regulating commodity price volatility. The next G-20 recommendations will be issued on October 15.

This webinar explores some major features of the G-20 recommendations, the U.S. regulation, and the EU legislation, particularly the status of new rules on position limits and High Frequency Trading that have the potential to reduce volatility and price distortions. Speakers will also discuss efforts to improve the transparency of unregulated markets, which are currently nearly seven times as large as the regulated market.

Presenters:
Steve Suppan - Institute for Agriculture and Trade Policy

Markus Henn - Weltwirtschaft, Ökologie & Entwicklung / World Economy, Ecology & Development

Moderator:
Karen Hansen-Kuhn - Institute for Agriculture and Trade Policy
Title: Commodity price volatility: U.S. and EU regulatory battles
Date: Tuesday, October 25, 2011
Time: 12:00 PM - 1:00 PM CDT
After registering you will receive a confirmation email containing information about joining the Webinar.
System Requirements
PC-based attendees
Required: Windows® 7, Vista, XP or 2003 Server

Macintosh®-based attendees
Required: Mac OS® X 10.5 or newer

Space is limited.
Reserve your Webinar seat now at:
https://www2.gotomeeting.com/register/252265002

SEC

When: Wednesday, October 26, 2011 (10 a.m.)

What: **Open Meeting -** tThe Commission will consider whether to adopt a rule requiring advisers to hedge funds and other private funds to report information for use by the Financial Stability Oversight Council in monitoring risk to the U.S. financial system. The new Advisers Act rule would implement sections 404 and 406 of the Dodd-Frank Act.

Where: SEC Headquarters - 100 F Street NE, Room L-002 (Auditorium) Washington, DC 20549

Contact: Office of the Secretary (202) 551-5400

CFTC

No pertinent meetings scheduled as of 10/21/11

Capitol Hill

The Senate is in recess.

House

House Committee on Financial Services

Field hearing entitled "Regulatory Reform: Examining How New Regulations are Impacting Financial Institutions, Small Businesses and Consumers"
Financial Institutions and Consumer Credit
October 31, 2011 10:00 AM in Wausau, WI

Hearing entitled "Proposed Regulations to Require Reporting of Nonresident Alien Deposit Interest Income"
Financial Institutions and Consumer Credit
October 27, 2011 9:30 AM in 2128 Rayburn HOB

Hearing entitled "Insurance Oversight: Policy Implications for U.S. Consumers, Businesses and Jobs, Part 2"
Insurance, Housing and Community Opportunity
October 25, 2011 2:00 PM in 2128 Rayburn HOB

Hearing entitled "The Eurozone Crisis and Implications for the United States"

International Monetary Policy and Trade
October 25, 2011 10:00 AM in 2128 Rayburn HOB

House Small Business Committee

October 26, 2011 - Oversight of the Small Business Administration's Financing Programs

On Wednesday, October 26, 2011 at 1:00 p.m, the House Committee on Small Business will conduct a hearing titled *Oversight of the Small Business Administration's Financing Programs.* The hearing will begin at 1:00 P.M. on October 12, 2011, in Room 2360 of the Rayburn House Office Building.

The hearing will focus on the Small Business Administration's (SBA) fiscal year 2011 performance and efforts to assist the private sector in providing the funds needed for small businesses to expand and grow. SBA Administrator Karen Mills will provide testimony along with witnesses representing private sector industries that use the SBA financing programs.

Witnesses and Testimony:

Panel 1 - The Honorable Karen Mills, Administrator, United States Small Business Administration, Washington, DC

Panel 2 - Sally B. Robertson, President, Business Finance Group, Fairfax, VA, testifying on behalf of the National Association of Development Companies, K. Roger Davis, Managing Partner, North Creek Mezzanine, Cincinnati, OH testifying on behalf of the National Association of Small Business Investment Companies.

Subcommittee on Investigations, Oversight and Regulations

October 27, 2011 - Misrepresentation and Fraud: Bad Actors in the Small Business Procurement Programs

On Thursday, October 27 at 10:00 am, the House Small Business Committee Subcommittee on Investigations, Oversight and Regulations will hold a hearing entitled *Misrepresentation and Fraud: Bad Actors in the Small Business Procurement Programs*. The hearing will take place in Room 2360 of the Rayburn House Office Building.

The purpose of this hearing will be to receive testimony on problems of fraud and misrepresentation in the small business contracting programs. Witnesses will include the Hon. Peggy E. Gustafson, Inspector General, Small Business Administration and the Hon. Brian D. Miller, Inspector General, General Services Administration.

Witnesses and Testimony: The Honorable Peggy E. Gustafson, Inspector General, US Small Business Administration, Washington, DC and the Honorable Brian Miller, Inspector General, US General Services Administration, Washington, DC

House Committee on Agriculture

No pertinent hearings/markups scheduled as of 10/21/11

Committee on Oversight and Government Reform

No pertinent hearings/markups scheduled as of 10/21/11

Subcommittee on TARP, Financial Services and Bailouts of Public and Private Programs

No pertinent hearings/markups scheduled as of 10/21/11

From Ad Busters.org:

OCTOBER 29 – #ROBINHOOD GLOBAL MARCH

This is a proposal for the general assemblies of the Occupy movement.

Eight years ago, on February 15, 2003, upwards of 15 million people in sixty countries marched together to stop President Bush from invading Iraq … a huge chunk of humanity lived for one day without dead time and glimpsed the power of a united people's movement. Now we have an opportunity to repeat that performance on an even larger scale.

On October 29, on the eve of the G20 Leaders Summit in France, let's the people of the world rise up and demand that our G20 leaders immediately impose a 1% #ROBINHOOD tax on all financial transactions and currency trades. Let's send them a clear message: We want you to slow down some of that $1.3-trillion easy money that's sloshing around the global casino each day – enough cash to fund every social program and environmental initiative in the world. Take this idea to your local general assembly and join your comrades in the streets on October 29.