

## This Week in Wall Street Reform | Oct 7 - 13, 2017

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### TRUMP ADMINISTRATION, CONGRESS, AND WALL STREET REFORM

#### [House Panel Approves Bills Supported by CU Trades](#) | Credit Union Times

The House Financial Services Committee on Thursday approved 22 bills, many of which credit union trade groups say would provide their institutions with relief from burdensome regulations.

"Most of these bills are aimed at helping smaller banks, credit unions and early growth companies," panel Chairman Jeb Hensarling (R-Texas) said, as the panel opened the two-day markup on Wednesday. "These are goals that every Democrat and Republican on this committee has said they support."

While some of the bills gained Democratic support, others were approved along partisan lines, with Democrats saying the bills would loosen regulations too much.

See [AFR letter opposing 19 deregulatory bills](#). Also see letters from [Consumer Federation of America](#), [Center for American Progress](#), [North American Securities Administrators Association](#), and [Public Citizen](#).

#### [An assessment of the White House's progress on deregulation](#) | The Economist

In January Mr Trump made a crude promise to "do a big number" on Dodd-Frank, Mr Obama's financial law, which has spawned thousands of pages of associated rules. Yet the two reports the Treasury has published on the subject have been detailed and rigorous. The first, on banking, contained a variety of relatively moderate proposals, such as raising the threshold above which banks must carry out "stress tests" from \$10bn of assets to \$50bn, and excluding cash and Treasury securities when calculating banks' leverage.

The second report, released on October 6th, concerns capital markets. Equity markets do not seem to be doing their job well, it says, as seen by a fall in the number of public companies, possibly because of regulatory complexity. But elsewhere it warns of the risks that Dodd-Frank funnelled towards so-called "clearing houses", such as LCH.Clearnet and Intercontinental Exchange. The Treasury argues that clearing houses should be subject to "heightened regulatory and supervisory scrutiny."

#### [Trump businesses reportedly benefit from deregulatory actions](#) | The Hill

President Trump could stand to personally profit from the regulations he's rolling back,

according to a new report Wednesday. Among those actions is the Environmental Protection Agency's proposal to repeal the Waters of the U.S. rule, which gives the agency the authority to prevent pollution in fresh water wetlands and streams. Rep. David Cicilline (D-R.I.) and Rick Claypool, a research director in the president's office of the nonprofit Public Citizen, detailed six deregulatory actions Trump could financially benefit from given his refusal to fully divest from his business empire. "In several instances, Trump's financial interests are directly at odds with protecting the public it is his administration's duty to serve," Cicilline and Claypool wrote in the report.

#### [OCC revises policy on CRA downgrades due to bank violations](#) | PoliticoPro

"Today's changes to an internal OCC policy ensure a logical nexus between our CRA performance evaluation ratings and banks' CRA-related activities," Acting Comptroller Keith Noreika said in a statement Thursday evening. The bulletin said a downgrade "should be supported by strong evidence of quantitatively and qualitatively material instances of discriminatory or illegal credit practices directly related to CRA lending activities that have resulted in material harm to customers."

#### [Goldman Sachs Is Hijacking Our Government For Profit and More Inequality](#) | AlterNet (Marcus Stanley)

Goldman Sachs has been a conspicuous presence at the scene of one disaster after another in the past half century. The bank is a leader in a Wall Street business model that relies on market manipulation and unsustainable financial bubbles to enrich a few insiders, but that produces disastrous consequences for the rest of us.

We are witnessing what may be a new Golden Age for Goldman Sachs. After running a campaign in which he lambasted the "corrupt" ties between Wall Street and Washington, President Trump has handed the job of shaping economic policy over to Wall Street insiders generally, and to alumni of Goldman Sachs in particular.

See new AFR report, ["Government Sachs and the Trump Administration"](#)

#### [The Same Old Song: Wall Street's repeatedly discredited arguments against common-sense financial regulation](#) | Huffington Post (Jim Lardner)

#### [Democrats Move to Force Trump Team Members to Divulge Industry Ties](#) | NY Times

## EQUIFAX AND WELLS FARGO

#### [Why did someone dress up as the Monopoly guy at this Senate hearing?](#) | Deseret News

Forced arbitration is the idea of a company forcing a consumer or employee to resolve any conflict in arbitration, waiving their right to sue. **Americans for Financial Reform**, Public Citizen and their allies all delivered Monopoly inspired cheat cards to 100 Senate offices as a part of this protest, according to a press release.

The Monopoly protester, Amanda Werner of **Americans for Financial Reform** and Public Citizen, wore the outfit, handing out "Get-out-of-jail-free" cards at the hearing, too.

## ['Monopoly Man' takes on Equifax](#) | Fox Business (video)

### [After Equifax, make it expensive for credit bureaus to be 'stupid'](#) | USA Today

Banks and retailers have real money at stake when a data breach allows criminals to get at customers' credit card data. Under federal law and credit card policies, customers have zero liability for fraudulent charges. Instead, banks and retailers are on the hook for losses.

That's probably why the credit card industry has strict compliance standards for protecting data.

But credit bureaus, such as Equifax, aren't required to repay consumers for losses when precious personal data — such as Social Security numbers and birth dates — are exposed in breaches. Perhaps that's why security was so lax at Equifax, where a massive breach discovered this summer gave hackers access to the data of nearly 60% of American adults.

### [Why aren't credit freezes free for everyone?](#) | ABC News 15

Consumer advocates agree that a credit freeze is the strongest protection against new account identity theft—exactly the kind of fraud that might happen to the 145 million victims of the Equifax data breach, in which Social Security numbers, addresses, names and birth dates, among other information, were accessed by hackers. But the only people who get a free credit freeze in every state are those who are already victims of identity theft. As for the rest of us who want to protect ourselves and prevent ID theft, credit freezes probably aren't free. Approximately 158 million consumers between 18 and 65 years old in 42 states and the District of Columbia must pay a fee to get credit freezes, ranging from \$2 to \$10, according to the U.S. Public Interest Research Group.

### [15 questions \(and answers\) about the Equifax data breach](#) | CBS 13

### [Equifax hackers exploited months-old flaw](#) | WRCB

### [Experts recommend freezing credit following Equifax data breach](#) | WMAR

Maryland's attorney general is directing Equifax to clear up some of their confusing messaging in light of the massive security breach.

There's concern that some may lose the ability to join a class-action lawsuit if they sign up for free Equifax services, or that they will eventually be charged for those services.

The Equifax breach affected an estimated 143 million people or nearly half of the U.S. population. Even if you don't use Equifax's services, your information still could've been compromised.

### [GOP sharpens focus on credit bureau fixes](#) | American Banker

The bipartisan congressional response to the Equifax breach took another step forward Thursday when two key Republicans sharpened their focus on regulatory gaps in the oversight of credit bureaus.

Senate Banking Committee Chairman Mike Crapo sent a letter to the heads of the federal bank regulators asking whether they should be further authorized to supervise the credit reporting agencies. Meanwhile, Rep. Patrick McHenry, R-N.C., vice chairman of the Financial Services

Committee, introduced legislation that would create uniform federal cybersecurity standards for credit bureaus.

[McHenry introduces bill to step up regulation of credit bureaus](#) | PoliticoPro

[Hacked again? After investigation, Equifax says no](#) | CNBC

[IRS temporarily suspends contract with Equifax](#) | Politico

[Wells Fargo's legal headaches are hurting its profits](#) | CNN Money

The big bank said on Friday that third-quarter profits tumbled by 18% because it set aside \$1 billion for legal expenses.

Wells Fargo (WFC) said the legal costs are linked to federal and state investigations over its sale of subprime and other mortgages prior to the Great Recession.  
Powered by SmartAsset.com

The pre-crisis mortgage problems are in addition to Wells Fargo's other scandals, notably the fake account fiasco that left the bank in turmoil for the past year. Wells Fargo's various legal problems helped drive expenses up by 8% last quarter.

[Ohio Extends Ban on Wells Fargo Business by Six Months](#) | Reuters

Ohio will extend its ban on doing business with Wells Fargo & Co because the bank has not done enough to help consumers or clean up its culture, the state's governor said on Thursday.

"This bank has not yet regained the public's confidence," Governor John Kasich said in a statement. "Wells Fargo still has work to do."

Ohio cut ties with Wells Fargo last October after the bank reported that millions of phony accounts may have been created without customer approval.

[Congress takes Wells Fargo, Equifax to task; now it must act](#) | The Hill (Jim Lardner)

Republicans and Democrats have found something they enjoy doing together — raking Wells Fargo and Equifax over the coals... But now what? Will lawmakers actually do anything about the problems they railed against...?

Bipartisan excoriation is good. Bipartisan action would be better.

[Do Not Pass Go! Public Citizen Demands Accountability From Equifax and Wells Fargo at Congressional Hearings](#) | CSS Blog (Remington Gregg)

## **MORE ON THE CFPB'S PAYDAY RULE**

[Auto Racer, Atty Guilty Of Running Criminal Payday Loan Empire](#) | Law360

A Manhattan jury on Friday found auto racer Scott Tucker and his attorney Timothy Muir guilty of operating a \$2 billion criminal payday loan empire that preyed on millions of vulnerable borrowers and entered into sham deals with Native American tribes in a cynical, illegal effort to

evade consumer lawsuits and law enforcement.

The guilty verdicts came after a trial before U.S. District Judge P. Kevin Castel that opened Sept. 12 and featured a parade of government witnesses and other powerful evidence, including emails that suggested the defendants went so far as to concoct a fake lawsuit to protect themselves. Jurors needed only five hours of deliberations before rejecting Tucker and Muir's contention that they relied upon what they thought was sound legal advice in building their Kansas-based loan operation and aligning it with the Miami, Modoc and Santee Sioux tribes.

[Scott Tucker found guilty of running criminal payday loan empire](#) | The Pitch

[Leawood racecar driver Scott Tucker found guilty in payday loan scam](#) | WDAF

[Race Car Driver Scott Tucker Convicted Over Payday Loans](#) | Bloomberg

[Payday lender Scott Tucker of Leawood convicted of illegal payday loans, racketeering](#) | Kansas City Star

[Payday-Lending Executives Found Guilty on All Counts in New York Court](#) | Wall St. Journal

[Scott Tucker found guilty of running criminal payday loan empire](#) | The Pitch

[Leawood racecar driver Scott Tucker found guilty in payday loan scam](#) | WDAF

[Race Car Driver Scott Tucker Convicted Over Payday Loans](#) | Bloomberg

[Payday lender Scott Tucker of Leawood convicted of illegal payday loans, racketeering](#) | Kansas City Star

[Kansas lawmakers choose not to recommend legislation on payday loans](#) | Wyandotte Daily

[Kansas lawmakers ask to continue studying payday lending bill after hearing input on high-rate loans](#) | Lawrence Journal-World

[Payday lending should be restricted](#) | Topeka Capitol Journal (editorial)

[Kan. Lawmakers Choose Not To Recommend Legislation On Payday Loans](#) | Hay's Post

[Legislative committee won't recommend restrictions for payday lenders](#) | Topeka Capitol Journal

### [Ohio must reform payday lending](#) | Canton Repository (editorial)

Their names leave little doubt exactly what service the businesses are providing: Cash Stop ... National Cash Advance ... Check 'n Go ... Cashland ... Check Into Cash ... First American Cash Advance ... Advance Pay USA ... and many more across Northeast Ohio and across the country...

“Payday and car title lenders profit from repeatedly dragging hard-pressed people deeper and deeper into debt, and taking advantage of families when they are financially vulnerable,” Lisa Donner, with **Americans for Financial Reform**, told the Associated Press. “Curbing the ability to push loans that borrowers clearly cannot repay is a key protection.”

### [Payday loan checks on the horizon](#) | Harrison Ark. Daily (editorial)

In our view the Wild West days of payday lending should be over. But there must be a venue for the working poor to get short-term money when they need it. Often they don't make enough or can't pass credit checks for a conventional loan. Many don't have bank accounts and banks don't want to lend just a few hundred at a time anyway. And while we may look askance at the rates charged by payday lenders, the fact is it's often cheaper to get money from one of their storefronts than it is to pay overdraft penalties and "overdraft protection" fees that those who do have bank accounts must pay. For many Americans payday lending is literally the only thing that makes sense.

There is still time for the industry and the feds to work together on this. Things are not going to stay the same but there is room for compromise. Both sides should be willing to do so both for the good of consumers and because it just makes business sense.

### [Inside payday lenders' plan to scuttle CFPB rule](#) | American Banker

If a new director attempts to ease or repeal the rule, the agency would have to go through the Administrative Procedure Act, including proposing it and posting it to the Federal Register. That would have to wait until a new director is confirmed by the Senate, as even an acting director's authority might not be sufficient under the law.

“The rule is not protected in the sense there is no way to take action, but it also can't be wished away with the wave of a wand. There was a multistage process as is required by law to develop this rule,” said Lisa Donner, executive director at the consumer group **Americans for Financial Reform**. “If anybody wanted to reopen the rule they would need to begin that whole process and they would need to have evidence that justified the opening of that process and making changes in the rule.”

### [Why The Final Payday Lending Rules Are Far From The Last Word](#) | PYMNTS

### [Baptist advocates applaud rule to rein in abusive lending](#) | Baptist Standard

### [Right rule on payday loans](#) | Times-Tribune

### [Payday Loans Are Still Wickedly Dangerous, Despite New Rules](#) | The Street

### [Ohio Loophole Could Hold Back New Payday Lending Rules](#) | WOSU

[3 ways the new rules curtailing payday loans will help consumers](#) | WPXI

[Consumer protection bureau cracks down on payday lenders](#) | Aberdeen Wash. Daily World

[Consumer protections are essential in high-interest payday-loan industry](#) | Journal-Gazette (editorial)

[Trump's Wall Street Watchdog Undercuts a Key Consumer Protection](#) | New Republic

[Teacher: \\$200 payday loan pushed me to brink of bankruptcy](#) | Philadelphia Inquirer

[New rule to rein in lenders](#) | Brownsville Herald

[Proposed federal rules would put another check on predatory lenders](#) | Virginian Pilot

[Federal regulator clamps down on payday lending industry](#) | News-Gazette

[Payday loans rule could lead to cheaper alternatives](#) | Detroit Free Press

[New rules to curb predatory lending](#) | Herald-Whig

[Consumer bankers say CFPB too hasty in finalizing payday lending rule](#) | Financial Regulation News

[PayDay Loans: CFPB Finalizes 'Common Sense' Consumer Protections](#) | eCredit Daily

[Cutting Off Consumers](#) | U.S. News & World Report (Daniel Preiss)

[Crack down on payday lenders](#) | Akron-Beacon Journal (editorial)

[Ohio must reform payday lending](#) | Record-Courier

[Regulations targeting payday lenders are necessary](#) | Tulsa World (editorial)

[Proposal would set max interest rate on payday loans](#) | Wichita Eagle

[New Rules Issued for Payday Loans](#) | Ozarks First

[The CFPB's Payday Lending Rule: An Opportunity in Disguise?](#) | JDSUPRA

[Rules to change for payday loans](#) | Muskogee Phoenix

[Protect consumers from unfair debt traps](#) | Citizen's Voice (editorial)

[Texas payday lenders face tougher standards with new federal rules](#) | Texas Tribune

[Payday loan rules make sense](#) | Lawrence Journal-World (editorial)

[Changes Coming for Mississippians Who Use Payday Lenders](#) | Mississippi Public Broadcasting

[Federal regulators, industry should work together before new rules take effect](#) | Texarkana Gazette

## CFPB AND CONSUMER FINANCE

[Regulator Fight Flares Anew Over Arbitration Rule](#) | Wall St. Journal

A war of words between two regulators flared anew Friday over a rule barring financial firms from requiring customers to use arbitration to settle disputes, as the Senate moved closer to a possible vote to reject the initiative.

On one side of the fight is the CFPB led by Director Richard Cordray, an Obama appointee whose term runs till next July. Confronting him is acting Comptroller of the Currency Keith Noreika, a banking industry lawyer brought in by the Trump administration until a permanent replacement is confirmed.

The unusual back-and-forth between the top regulators started when the CFPB rule was announced. Senate Republicans are gearing up for a possible vote as early as next week on a measure to overturn the rule.

[Regulators Continue Tussle Over CFPB Arbitration Rule](#) | Law360

[The Supreme Court Hears Argument to Decide Whether Class-Action Waivers in Employment Arbitration Agreements Are Enforceable](#) | National Law Review

[Senate should vacate the harmful consumer banking arbitration rule](#) | The Hill (Keith Noreika)

[CFPB Issues Guidance To Small Businesses On Complying With Rule Banning Class Action Waivers](#) | Mondaq

[Business Groups File Federal Lawsuit to Challenge CFPB Arbitration Rule](#) | Lexology

On September 29, 2017, the U.S. Chamber of Commerce, the Texas Association of Business, and various other national and Texas statewide business organizations and trade groups (together, Plaintiffs) filed a federal lawsuit in Dallas, Texas challenging the constitutionality of a Consumer Financial Protection Bureau (CFPB) rule designed to prohibit providers of certain consumer financial products and services from using class waivers in pre-dispute arbitration agreements (Arbitration Rule).

[Consumers back the Consumer Financial Protection Bureau](#) | Consumer Affairs

Since Republicans have regained the White House, there's a move in Congress to cut the bureau's funding, or get rid of it altogether. Consumers, however, feel a little differently... A poll conducted by the personal finance site WalletHub finds overwhelming support for the beleaguered agency. For starters, consumers appear to be aware of the agency's existence,

with 92% correctly identifying it by its initials -- CFPB.

The CFPB's central mission is to regulate the financial services industry, and the survey shows widespread agreement with that role. Among the consumers responding to the survey, 50% said banks need more regulation while only 14% thought banks had too much. On the flip side, 71% said consumers need more financial protection while only 5% said consumers need less protection...

Consumers also think the CFPB has made a difference, with 78% saying their credit card company treats them the same or better than it did a decade ago and about as many saying the same about their banks.

### [Overwhelming Support for CFPB Arbitration Rule in Arizona and Maine](#) | Fair Arbitration Now

A new Public Policy Polling survey finds broad and overwhelming support in Maine and Arizona for the Consumer Financial Protection Bureau's (CFPB) recent rule limiting banks and large corporations like Equifax from using forced arbitration to deny consumers the right to their day in court.

80 percent of Maine voters and 81 percent of Arizona voters support the "forced arbitration" rule to end the use of fine-print "ripoff clauses." The rule empowers consumers to join together in class action lawsuits taken before a judge or jury rather than being forced into an individual, secretive arbitration process where disputes are decided by an arbitrator approved by the bank or large corporation.

### [Senator Collins Should Uphold Mainer's Rights to Our Day in Court](#) | Medium.com (Tom Cox)

## **DERIVATIVES, COMMODITIES, AND THE CFTC**

### [CFTC to Delay Decision on Swap Dealer Registration Threshold](#) | Wall St. Journal

The U.S.'s derivatives regulator plans to delay rules that would require more firms to register as swaps dealers, a move that buys more time without stricter oversight for energy and agricultural companies that use the products to hedge risks.

Commodity Futures Trading Commission Chairman J. Christopher Giancarlo announced the move Wednesday at a House committee hearing, saying the agency needed more time to consider whether it should narrow the number of firms that must register as dealers. "The goal is to get the right result, not a rushed result," he said.

### [Automated-Trading Oversight Should Target 'True Risks,' CFTC Official Says](#) | Wall St. Journal

The Commodity Futures Trading Commission needs to take a fundamentally different approach to regulating automated trading than the course pursued under the Obama administration, Republican Commissioner Brian Quintenz said in an interview. Tighter supervision for automated trading firms should focus on the "true risks" in the marketplace, and not target firms

simply for using algorithms as part of their trading strategy...

[The CFTC Is Still Considering a Cryptocurrency 'Delivery' Definition](#) | Coindesk

## FEDERAL RESERVE

[White House steps up review of Federal Reserve chairman candidates](#) | Fox Business

President Donald Trump's top cabinet officials are stepping up their attention to making a decision on who will be the next chairman of the Federal Reserve, including Vice President Mike Pence, who met with three free market economists at the White House on Wednesday to discuss the candidates that could replace Janet Yellen.

In a sign that Pence may be getting involved with choosing the next Fed chair, the Vice President met with Heritage Foundation economist Steve Moore, conservative economist Larry Kudlow and former President Ronald Reagan economic adviser Art Laffer to converse about a range of topics including who could be the next most effective Fed leader, sources tell FOX Business.

[Quarles sworn in as Fed vice chairman of supervision](#) | PoliticoPro

## INVESTOR PROTECTION AND THE SEC

[House Committee OKs Measures on SEC's Data-Handling](#) | Bloomberg BNA

## MORTGAGES AND HOUSING

[Rent-to-own operator shut down in Wisconsin](#) | Housing Wire

A Wisconsin state court effectively ended rent-to-own operator Vision Property Management's ability to operate in the state, as the company's battle with the state continues.

The move comes a part of a lawsuit filed earlier this year by the Wisconsin Department of Justice.

Back in June, the Wisconsin DOJ sued Vision Property Management and its various affiliates for using "misleading and deceiving business practices to induce Wisconsin consumers to lease, rent, or purchase uninhabitable properties," in violation of the state's landlord-tenant and mortgage banking laws.

See USPIRG report, "[Mortgage Abuses Leading Source of Older Consumer Complaints to CFPB](#)"

Mortgages were the leading source of 72,000 complaints to the Consumer Financial Protection Bureau from consumers 62 years of age and over, followed by complaints about credit reports and debt collection, according to a new report. Further, legislation passed by the House and awaiting Senate action intended to cripple the Consumer Bureau would place older consumers at greater risk of harm from financial scammers.

The bill, HR 10, the so-called Financial Choice Act, but more aptly called the “Wrong Choice Act,” rolls back the powers, funding and independence of the CFPB and it also weakens its pioneering Office for Older Americans. The bill also eliminates many other financial system reforms of the 2010 Dodd-Frank Act enacted after the second-worst financial crisis in the nation’s history.

## REGULATION IN GENERAL

### [New Regulatory Task Forces Meet Same Old Obstacles](#) | Bloomberg BNA

On Feb. 24, Trump signed Executive Order 13,777, Enforcing the Regulatory Reform Agenda, which required most federal agencies to establish regulatory reform officers and regulatory reform task forces to recommend rules for repeal, replacement, or modification.

“For agencies, deregulation is hard—something I’ve learned in the past three months,” said Neomi Rao, administrator of the Office of Information and Regulatory Affairs, in remarks Oct. 4 at the Heritage Foundation. Her office is within the White House Office of Management and Budget.

## RETIREMENT INVESTMENT AND DOL FIDUCIARY RULE

### [Many financial firms want 'best interest' standard in name only](#) | The Hill (Barbara Roper)

I’ve worked in and around Washington, D.C. long enough to know that words don’t always mean what they seem. I remember when ketchup was declared a vegetable for school lunches and when torture was rebranded as an “enhanced coercive interrogation technique.”

So, when broker-dealer trade associations began to proclaim their enthusiastic support for a uniform “best interest” standard for investment advice a decade ago, I should have known something was up. After all, their record of opposing any and all regulations designed to improve protections for investors was previously unblemished.

It is only in the context of the Department of Labor’s recent rulemaking to adopt a best interest standard for retirement advice, however, that the penny finally dropped. Brokers had been willing to support a best interest standard under securities laws, I discovered, because, under securities laws, the term has no meaning — or at least no meaning that a typical investor would recognize.

### [House panel approves legislation to kill DOL fiduciary rule](#) | Investment News

See [joint letter](#) opposing HR 3857, the “PASS Act of 2017”

### [SIFMA: State-level fiduciary rules would confuse investors](#) | Investment News

In testimony today in Las Vegas, Lisa Bleier, managing director of public policy and advocacy for the Securities Industry and Financial Markets Association, plans to tell the Nevada secretary of state that the organization opposes Nevada’s newly enacted fiduciary law.

### [CFA Urges Skepticism Regarding Industry Fiduciary Rule Concerns](#) | Plan Advisor

The Consumer Federation of American (CFA) frequently lobbies and comments on a variety of issues peripheral to the retirement investing industry—but this week the organization directly addressed a topic of paramount concern, for advisers and sponsors, in the Department of Labor (DOL) fiduciary rule.

Specifically, the CFA published an open letter detailing what it believes is an emerging issue: DOL enforcement standards related to the recommendation of fee-based versus commission-based account structures. As laid out in the letter, which was published online as well as mailed to DOL Secretary Alexander Acosta, a number of retirement industry groups opposed to the fiduciary rule reforms have suggested that changes already implemented have “caused brokerage firms to shift investors into fee accounts where they face higher costs than they would have in a commission account.”

### [Senate Finance counsel expected to lead DOL’s Employee Benefits Security Administration](#) | Pensions and Investments

Preston Rutledge is expected to be nominated shortly by the White House to serve as assistant secretary of labor for the Employee Benefits Security Administration, according to sources.

Mr. Rutledge has served as tax and benefits counsel for the Senate Finance Committee since 2011. Before joining the Republican staff, he worked with the Internal Revenue Service's tax exempt and government entities division in Washington. He has also worked in private practice as an employee benefits counselor and litigator.

### [Impact of the Fiduciary Rule on Plan Sponsors](#) | National Law Review

Plan sponsors need to pay attention to a new Department of Labor rule redefining fiduciary investment advice. It became effective on June 9. The rule expands the acts that are considered investment advice under ERISA, and is changing the obligations and status of financial advisors and other plan service providers. Interesting, you say, but what does it have to do with me? Simply this: while the rule imposes new requirements on your service providers, it also requires you to pay attention. Here’s how...

### [Trump nominates Senate aide for post overseeing DOL fiduciary rule](#) | Investment News

### [Will fixed index annuities rebound in the fiduciary era?](#) | Financial Planning

### [The New Rules That Could Make ETFs Unstoppable](#) | Bloomberg

## STUDENT LOANS AND FOR-PROFIT SCHOOLS

### [More than half of students at for-profit colleges defaulted on loans, study finds](#) | Chicago Tribune

Students who attended for-profit colleges were twice as likely or more to default on their loans than students who attended public schools, according to a federal study published Thursday.

The report by the National Center for Education Statistics looks at students who began their undergraduate education in 2003 and defaulted on at least one loan over the next 12 years. Fifty-two percent of the students who attended for-profit schools defaulted on their loan. That's

compared with 17 percent for those who attended a four-year public institution and 26 percent at community college.

### [Trump administration wants to weaken law protecting veterans from predatory for-profit colleges, senators say](#) | **Washington Post**

The Trump administration is moving to waive an ethics law that some senators say protects veterans from predatory for-profit colleges, and they are urging officials to change course and keep the protections in place.

“Weakening conflict of interest regulations related to for-profit institutions is not only inadvisable, but will put our men and women in uniform and those who have served our country at further risk of predatory and abusive business practices,” four Democratic senators said in a letter to Veterans Affairs Secretary David Shulkin (see full letter below).

### [For-Profit Colleges Give \\$63,000 to Walker](#) | **Urban Milwaukee**

Republican Gov. Scott Walker accepted about \$63,300 in campaign contributions since January 2010 from for-profit college owners and employees before eliminating a state agency that oversaw the controversial industry.

Walker vetoed out of existence the state’s Educational Approval Board, which licenses and regulates for-profit colleges, when he approved the 2017-19 state budget last month. The budget gives the board’s job to the state Department of Safety and Professional Services.

## **TAXES**

### [Trump on Taxes](#) | **CNN (video)**

In a segment with CNN's Brooke Baldwin, Alexis Goldstein of **Americans for Financial Reform** slammed the Trump tax plan, and emphasized the ways that companies like Wells Fargo, in the news for creating millions of fake accounts, will likely use any tax breaks to simply buy back stock and enrich their wealthy investors, rather than raising wages.