AFR Americans for Financial Reform

This Week in Wall Street Reform | Aug 11 – 17

Please share this weekly compilation with friends and colleagues.
To subscribe, email info@ourfinancialsecurity.org, with "This Week" in the subject line.

THE FINANCIAL CRISIS - 10 YEARS LATER

The Financial Crisis Cost Every American $70,000, Fed Study Says | Bloomberg
America never made up the growth it lost in the 2008 global financial crisis and the recession it triggered. A decade later, U.S. households are still counting the cost.

Gross domestic product remains well below what its 2007 trend would have implied and it's unlikely the economy will ever make up that lost ground, according to research from the Federal Reserve Bank of San Francisco published Monday. The hit will cost the average American $70,000 in lifetime income, they estimate.

Time does not erase the tragedy of the financial crisis | The Hill (Kurt Schacht)
Mark Twain once said humor is equal to tragedy plus time. But it is far too soon for any part of the great financial crisis tragedy to be funny. Likewise, it's far too soon to start dismantling key systemic protections of Dodd-Frank, which is what seems to be happening with proposals made in April by the Federal Reserve and the Office of Comptroller of the Currency (OCC). Perhaps 10 years on, it is easier to forget $11 trillion was lost in the stock market, and another $7 trillion was lost by homeowners. Eleven million homeowners went "upside down" with their mortgages. Fifteen million people were out of work and unemployment soared to over 10 percent. The government spent, lent or guaranteed more than $20 trillion. We should not be laughing at this tragedy by softening systemic protections.

It's High Time To Stop The Dodd-Frank Blame Game | Forbes (Mayra Rodriguez Valladares)
Eight years after The Wall Street Reform and Consumer Protection Act was signed, there are still a number of analysts and lobbyists who keep blaming this landmark financial reform legislation for alleged slowdowns in the US economy. In a recent piece entitled Trump Poised to Take Control of the Federal Reserve, bank analyst Dick Bove stated that Dodd-Frank rules "have meaningfully slowed bank investments in the economy (the Volcker Rule) and they have had a crippling effect on bank lending in the housing markets." First, the Volcker Rule in no way has slowed bank investments in the economy… Given that the recession ended in 2009, before Dodd-Frank was even signed the summer of 2010, and that GDP has been rising every quarter consecutively since the second quarter of 2014, it is difficult to see how the Volcker Rule has slowed banks' or any other corporations' investments in the economy.

Secondly, while mortgage indebtedness is not yet at its peak level that it was the 3rd quarter of 2008, mortgage debt as seen in Federal Reserve data has been rising since the third quarter of 2013. Bove provided no proof that Dodd-Frank is the cause of fewer people buying homes or applying for mortgages. Because banks' due diligence of mortgage borrowers had been so poor and in fact a main contributor to the 2007-2008 financial crisis,

banks began to be more careful about their lending standards for all types of loans during and immediately after the crisis. The decrease in mortgage lending happened during the crisis almost two years before Dodd-Frank was even signed.

When commemorating crises, think 20 not 10 | Reuters (Rob Cox)
The further away from the anniversary, the more valuable the lesson to be learned. In that sense, recalling Long-Term Capital Management's implosion in 1998 may be more worthwhile than dwelling on next month's anniversary of the collapse of Lehman Brothers…

The key takeaway is simple, if somewhat meta: There are always blind spots. Whatever regulators, bankers, policymakers and investors think they learned during the last crisis may not be correct at all – or may simply be forgotten. That may not be comforting. But greater humility is always preferable to excessive confidence.

A more specific lesson, though, is the recognition that without sharp regulation, leverage tends to increase in the system until it becomes so interconnected that emergency measures become the only feasible way to contain the damage. Secondly, though reforms are often rolled out in the heat of panic, they historically do little to radically change the structure of the financial industry. Banks may have more capital today, but they still marry riskier activities with the potential to upset their more normal ones – lending and transactions management – in ways that pose a danger to the economy.

CONSUMER FINANCE AND THE CFPB

Mulvaney Looks to Weaken Oversight of Military Lending | NY Times
The Trump administration is planning to suspend routine examinations of lenders for violations of the Military Lending Act, which was devised to protect military service members and their families from financial fraud, predatory loans and credit card gouging, according to internal agency documents.

Mick Mulvaney, the interim director of the Consumer Financial Protection Bureau, intends to scrap the use of so-called supervisory examinations of lenders, arguing that such proactive oversight is not explicitly laid out in the legislation, the main consumer measure protecting active-duty service members, according to a two-page draft of the change.

White House Takes Aim At Financial Protections For Military | NPR
NPR has obtained documents that show the White House is proposing changes that critics say would leave service members vulnerable to getting ripped off when they buy cars...

"If the White House does this it will be manipulating the Military Lending Act regulations at the behest of auto dealers and banks to try and make it easier to sell overpriced rip-off products to military service members," says Christopher Peterson, a law professor at the University of Utah, who reviewed the documents.

The product Peterson is referring to is called gap insurance…. Dealers often tell customers that if their car gets wrecked in a crash they could be financially harmed because regular insurance may not pay out the entire amount owed on the loan… That kind of insurance can actually be inexpensive. Peterson, who helped write the regulations for the Defense Department, says it often costs as little as $20 to $30 a year and is available from a car buyer's regular insurance company. "But if you buy it from your car dealer, they may mark it up ... I've seen gap insurance policies being sold for $1,500," Peterson says.

49 Senators Want To Keep Protections Of Military Lending Act In Place | NPR
SENATOR JACK REED: It's outrageous. We are all standing up and talking constantly as we should about the service and sacrifices of men and women in uniform around the globe. And then to go ahead and take away a defense that they have back home against unscrupulous lenders and unscrupulous products is outrageous.

CHRIS ARNOLD: Reed wrote the letter that the other senators signed onto. He's the ranking member on the Armed Services Committee. And he was an Army paratrooper and says that troops are often young, away from home and easy prey for unscrupulous lenders and shady financial products. If they get too mired in debt, they can lose security clearances or even get kicked out of the service. That's why he helped to create an office to protect service members at the Consumer Protection Bureau.

Senators urge consumer protection agency not to 'abandon' duty to protect troops, families | Military Times
In the wake of reports that a key federal consumer protection agency is considering pulling back from efforts to protect service members from predatory lenders, 49 senators have signed a letter asking for a commitment that the bureau will continue to ensure troops are protected. The Consumer Financial Protection Bureau "should not be abandoning its duty to protect our service members and their families" the senators wrote in a Wednesday letter to Mick Mulvaney, director of the Office of Management and Budget, and acting director of the Consumer Financial Protection Bureau. The lawmakers — all 48 Senate Democrats and independent Vermont Sen. Bernie Sanders — asked for a commitment that the CFPB will use "all of the authorities available to the CFPB to ensure that service members and their families continue to receive all of their [Military Lending Act] protections."

See statement by StoptheDebtTrap campaign.

CFPB path to unwinding payday rule riddled with legal land mines | American Banker
The agency's options for unwinding the rule narrowed considerably this week after a judge for a second time denied a request to stay the rule's 2019 effective date.

The CFPB would prefer such a stay to avoid legal challenges, allowing time to rewrite the 2017 regulation without forcing lenders to have to prepare for two competing rules. The industry, meanwhile, would likely prefer that the rule be rescinded, as recommended by the Treasury Department.

The latter option is legally risky with the binding nature of the 2017 rule under the Administrative Procedure Act. But with the CFPB unable to delay the compliance date through the courts, the bureau is expected to try to on its own — through a limited rulemaking — even if consumer advocates may challenge that move legally.

Can consumer loans ever be so expensive they break the law? The California Supreme Court says yes | Los Angeles Times
In a unanimous opinion released Monday morning, California Supreme Court justices said courts "have a responsibility to guard against consumer loan provisions with unduly oppressive terms," including interest rates, despite state laws that give lenders wide latitude in setting rates...

Attorneys for Orange County lender CashCall, which, like many lenders, offers consumer loans at interest rates topping 100%, argued that by removing a cap on interest rates, the

Legislature intended to give lenders freedom to set their own rates without interference from state regulators.

But attorneys representing a class of CashCall borrowers who sued the company in federal court over loan rates and other terms argued that the interest rates can become so high that they are unconscionable. The plaintiffs borrowed from CashCall at rates of 96% or 135% between 2004 and 2011.The case, De La Torre vs. CashCall, is before the federal 9th Circuit Court of Appeals, which asked that the state Supreme Court weigh in on California lending law — specifically whether a high interest rate alone could be unconscionable and thereby void a loan. “The answer is yes,” wrote Associate Justice Mariano-Florentino Cuéllar for the court, adding that the price of a loan, like any other term, can be unconscionable.

Keep protection of agency’s payday loan rule | Everett (WA) Herald (editorial)
The Dr. Jekyll and Mr. Hyde nature of some federal agencies that has emerged since the start of the Trump administration continues with the Consumer Financial Protection Bureau seeking to reverse one of its signature efforts to guard consumers from predatory lenders.

'Fintechs' Sound Cautious Note on Offer of U.S. Bank Charter | Reuters
Financial technology companies that lend online are sounding a cautious note on a U.S. banking regulator's plan to offer them special federal charters because of concerns over legal challenges and requirements that are more onerous than expected. The Office of the Comptroller of the Currency said last month it would accept applications for banking licenses from the likes of LendingClub and OnDeck Capital Inc, online lenders that do business outside the traditional banking system. They then could operate nationwide under one banking license rather than a patchwork of state-specific regulations. Fintech executives lobbied for the license and applauded the OCC's decision, but they are not immediately rushing in...

Fintech Crowd Dives Into Subprime Credit-Card Lending | Wall St. Journal
LendUp Global Inc. and Fair Square Financial LLC, which focus more heavily on riskier borrowers, mailed out roughly 35 million credit-card offers during the first half of the year, according to market-research firm Competiscan, up from 7 million during the same period last year.

CreditShop LLC, a specialist in personal loans to risky borrowers that was acquired last year by investment firm Värde Partners, rolled out a credit card earlier this year. Elevate Credit Inc., which specializes in high-cost installment loans, launched one in July… Most of these cards carry interest rates north of 20%, significantly higher than the average credit card interest rate of 14.1%, according to the Federal Reserve…

Phony Payday Lender Must Cough Up $70M In Restitution | Law360
A Missouri man who was convicted of running an online payday lending scheme for a decade through a series of businesses must pay back more than $69 million to the Consumer Financial Protection Bureau to redress affected consumers taken in by the scam, according to an order filed Friday in federal court.

The $69.6 million Richard Moseley Sr., 73, must pay represents the gross profits of the $227.7 million he collected from consumers starting in 2008 in connection with the hundreds of thousands of loans he extended, according to a stipulated final judgment filed by U.S. District Judge Stephen R. Bough...

U.S. District Judge Edgardo Ramos sentenced Moseley Sr. in June to 10 years in prison.

DERIVATIVES, COMMODITIES & THE CFTC

Dealers seek FRTB carve-out for Libor transition | Risk.net
Banks are planning to ask regulators for capital relief during attempts to move roughly $370 trillion in swaps notional away from Libor to new interest rate benchmarks.

Under incoming market risk capital rules – the Fundamental Review of the Trading Book – banks that model their own requirements will face a capital add-on for all risk factors not backed by a minimum level of trading.

Even Free Tokens Face Regulatory Heat as Coin Offerings Scrutinized | Wall St. Journal
Securities regulators on Tuesday opened a new front in their campaign to crack down on fraud in the initial-coin-offering market by punishing a firm that didn't sell any tokens. The Securities and Exchange Commission said Tomahawk Exploration LLC and David Thompson Laurance tried to raise $5 million in 2017 by selling a token called "TOM," short for the firm's name. When the effort fizzled, Tomahawk wound up giving away 80,000 tokens to entities that helped promote the coin offering, the SEC alleged. The recipients later traded TOM tokens on a digital-asset exchange for other cryptocurrencies or tokens, the SEC said. Although Tomahawk failed to sell any tokens, the company and Mr. Laurance broke the law by misleading potential investors about details of their oil-drilling project and not telling potential investors that he was once convicted of criminal securities fraud, the SEC said.

Banks Will Lose Patrons' Trust Via Facebook | Wall St. Journal
Facebook is asking large U.S. banks for their customers' detailed transaction information That may seem like a win-win. But there's a catch. In the financial industry, trust between a client and his or her provider is of primary importance. You can't sell a customer's banking data in the same way you sell his or her internet surfing behavior. We believe it is now or never to define the principles on the use of customer data. The World Economic Forum, working with the finance industry, believes the principles should be: Customers control their data, not the companies collecting them. If banks want to share them with social media or others, they should attain customer consent. And, to make consent meaningful, companies need to provide clear and accessible information; consent as a "tick-of-the-box" is meaningless.

Banks look to spin money from their own data | Risk.net

See AFR letter criticizing CFTC "de minimis threshold" proposal

ENFORCEMENT

Wanted: 'Sheriff of Wall Street.' Letitia James Says No Thanks, and Her Rivals Pounce. | NY Times
"We would welcome a New York attorney general who prides themselves on being the Sheriff of Wall Street," Bartlett Naylor, a financial policy advocate for Public Citizen, a liberal consumer rights organization, said in an interview. The role of state prosecutors is more important than ever given the rollback of Dodd-Frank legislation and the less rigorous regulatory environment encouraged by the Trump administration, Mr. Naylor said. "The key decision makers on Wall Street are subject to New York State law," Mr. Naylor says. "The New York attorney general looks out of their window, and there is Wall Street."

EXECUTIVE COMPENSATION

Elite CEO pay jumps to average of $19 million, as fears mount over the wealthy pocketing gains | Washington Post
Top executives of America's biggest companies saw their average annual pay surge to $18.9 million in 2017, according to a report released Thursday, fueling concerns about the gulf between the nation's richest and everyone else.

The dramatic 18 percent jump in chief executive pay came as wages for American workers remained essentially flat, pushing the gap between executive compensation and employee pay to its highest point in about a decade.

The rise in executive pay shown in the report by the Economic Policy Institute, a left-leaning think tank, is driven largely by the big increases in the stock market during the past year. The bulk of CEO compensation is made up of stock grants or stock options, which can lead to substantial paydays for chief executives when companies perform well in the market.

See **Economic Policy Institute report**

2017 was a great year for CEOs. Not so much for the average worker. | Vox
The American economy is booming — especially if you're a CEO. Earnings for the top executives at America's largest companies skyrocketed in 2017, while wages for the average worker hardly budged. CEOs for the 350 largest US companies earned an average pay of $18.9 million in 2017, a sharp 17 percent increase from the previous year, according to a new study by the left leaning Economic Policy Institute. These estimates include salaries, bonuses, restricted stock grants, cashed-in company stock, and other forms of compensation for chief executives at those firms. Meanwhile, wages for the average US worker grew a paltry 0.2 percent during that time.

How to Give Workers a Cut of Surging Executive Pay | Huffington Post
Sen. Elizabeth Warren (D-Mass.) wants to stop this madness by changing whom corporations actually answer to. This week, Warren proposed legislation, the Accountable Capitalism Act, that would require big companies to sign a charter of corporate citizenship, give employees a vote on corporate boards, and limit the ability of companies to buy back their own stock, a practice that was illegal before 1982. By purchasing their stock on the open market, companies reduce the number of shares outstanding, driving up the value of those that remain — inflating the wealth of people who own lots of stock, including CEOs. To that point, the EPI analysis noted that stock awards rather than salary were what drove the increase in boss pay.

US CEOs earned 312 times more than workers in 2017 | ABC News

Where's the wage growth? Only at the very top | CBS News/Irina Ivanova

Why America's rich keep getting richer (and you don't) | MarketWatch/Kari Paul

Runaway executive pay | Baltimore Sun (editorial)
CEO pay isn't simply a matter of supply-and-demand, it's clearly a problem exacerbated by tax policies and corporate governance structures that were not on the books five decades ago. It is not an assault on capitalism to recognize that something is fundamentally wrong

here. It would be a disservice to future economic prosperity to ignore what has become a growing cancer…

The Economic Policy Institute offers four basic policy paths: Reinstate higher marginal income taxes for the ultra-rich, raise corporate tax rates for those firms that have off-the-charts CEO compensation (relative to their average worker compensation), set a cap on compensation and tax salary and benefits that exceed that level, and, finally, require corporations to give shareholders a chance to vote on top executive compensation. In other words, if companies need astronomic pay to attract the best and brightest, let them make the case to the shareholders who certainly want to see the company be profitable (if not necessarily pillaged by its CEO).

INVESTOR PROTECTION, THE SEC, AND RETIREMENT SAVINGS

Posse of top cops from 17 states dresses down SEC over fiduciary standards for broker-dealers and RIAs | RIA Biz
In a prelude of what could be a major legal challenge of the Securities and Exchange Commission's (SEC) proposed "best" interest" regulation, a coalition of 17 state Attorneys General charges the measure fails to hold broker-dealers to the same fiduciary standard as RIAs. The group also cites a number of other "egregious" deficiencies that could be open to challenge.

Trump asks SEC to consider ending quarterly earnings reports | The Hill
President Trump on Friday said he has asked the Securities and Exchange Commission to study the potential benefits of allowing public companies to file reports with the agency half as often. Trump tweeted that he asked the SEC to consider asking companies it regulates to file two revenue reports per year instead of the quarterly disclosures currently mandated by the agency. The president said he got the idea from one “of the world’s top business leaders” and that it would “allow greater flexibility & save money” for corporations.

SEC Subpoenas Tesla About CEO's Buyout Plans | NY Times
Government regulators have subpoenaed Tesla as they dig deeper into CEO Elon Musk's recent disclosure about a potential buyout of the electric car maker, according to media reports. The subpoena from the Securities and Exchange Commission demands information from each of Tesla's nine directors, according to a story published Wednesday in The Wall Street Journal. The newspaper cited an unidentified person familiar with the matter after Fox Business News reported the SEC's move.

Mother, Daughter Finalize SEC Settlements in Rep. Collins Insider Trading Case | NY Law Journal

MORTGAGES AND HOUSING

Families share horror stories about one of Arizona's largest landlords | USA Today
I knew we had to jump on it quick," Suszczewicz, 53, said. "It was a pleasant neighborhood. I didn't think there was too much risk." But nearly two years after signing the lease, the Suszczewiczes say they regret moving in at all. Long-delayed repairs, annual rent increases and nearly-impossible-to-reach staff have soured the family on their Wall Street-backed landlord.

Invitation Homes is America's largest owner of single-family rental homes, with nearly 7,500

properties in Arizona alone. "If anybody is talking about finding a rental, I always say, 'Stay away (from Invitation Homes). Don't even bother with it," Suszczewicz said.

When private-equity investors began snatching up tens of thousands of foreclosure homes at bargain prices after the 2008 housing crash, metro Phoenix was one of the first areas in the country to become a hotbed of corporate home rentals. Since then, Invitation Homes has been targeted by multiple tenant lawsuits across the country…

Time to modernize banking rules to serve communities across America | The Hill (Rob Nichols)
More than 40 years ago, Congress passed the Community Reinvestment Act with the goal of encouraging banks to help meet the credit needs of the communities in which they operate, including low- and moderate-income (LMI) neighborhoods, without compromising safety and soundness… Unfortunately, outdated rules, a lack of transparency and inconsistent examinations are preventing CRA from fully meeting that mission today. Instead, CRA regulations are holding back investment in the very communities the law is intended to serve, while imposing unnecessary compliance burdens on the nation's banks.

PRIVATE FUNDS

The New Business Banker: A Private-Equity Firm | Wall St. Journal
Private-equity firms have long been some of the biggest owners of companies. Now they are vying to become some of their biggest lenders. Fueled by an influx of cash from yield-hungry investors, firms historically devoted to buyouts are now financing deals banks won't. Nonbanks—many private-equity firms—held more than half a trillion dollars worth of loans to midsize companies at the end of 2017, up from roughly $300 billion in 2012, according to estimates by private-equity firm Ares Management ARES 0.48% LP.

REGULATION IN GENERAL

Business looks to Kavanaugh to extend Supreme Court hot streak | Politico
The Supreme Court last term was the most business-friendly in modern memory, according to the Constitutional Accountability Center, a progressive public-interest law firm. The group concluded in a new report that Kavanaugh would tilt the court even more in business' favor, noting that the high court under Chief Justice John Roberts already has sided with the Chamber, which the center views as a proxy for all business interests, in more than 70 percent of relevant cases since 2006.

How Trump's War on Regulation Is Trickle-Down Economics | American Prospect (Robert Reich)
Trump is taking a meat axe to all regulations. In so doing, he's creating a new form of trickle-down economics—where the benefits go to corporate executives and major investors, while the costs and risks land on the rest of us. It would be one thing if corporations were plowing all these extra profits into higher pay for average workers. Maybe that would help make up for some of the extra costs and risks borne by average Americans. But they're not. They're using most of the profits to buy back their own shares of stock—thereby boosting share prices. Which is good for the richest 1 percent of Americans who own 40 percent of the stock market, and the top 10 percent who own 80 percent.

'Oh that's cool — do that!': Super PACs use new trick to hide donors | Politico

Documenting Deregulation | Forbes

In a new George Washington University Regulatory Studies Center paper, Professor Bridget Dooling provides insights into the pace of regulatory activity to date. Focusing on all significant regulations that agencies have proposed and completed, she finds that during its first year-and-a-half, "the Trump Administration's regulatory pace is 70% less than that of the Obama Administration in its first 18 months." Her results are more dramatic than those of Connor Raso in a paper for the Brookings Institution (which found a 58% decline when focusing on final, major regulations) and less than those of the GW Regulatory Studies Center's Daniel R. Pérez (who found a 78% reduction during the first year of the Trump administration).

STUDENT LOANS AND FOR-PROFIT SCHOOLS

Education Department's 'Gainful Employment' Repeal Carries High Price Tag | Roll Call

The Trump administration's proposal to repeal Obama-era requirements for recipients of federal student aid comes with a price tag of about $5.3 billion over a decade, a figure that is already giving critics ammunition as the Senate prepares to turn to Education Department appropriations this week. The administration's proposed rulemaking would rescind 2014 regulations requiring colleges and universities to ensure graduates have low debt-to-income ratios or risk losing access to loans and grants that help students afford to attend their programs. The proposal will be open for a 30-day comment period once it's published in the Federal Register on Tuesday before the department can turn to drafting a final rule.

DeVos Ends Obama-Era Protections on Predatory For-Profit Colleges | Legal Reader (Ryan Farrick)

Betsy DeVos wants to fail students at for-profit colleges | USA Today (editorial)

DeVos' Elimination of Obama Rules Allows For-Profit Colleges To Swindle Poor Black Students | Atlanta Black Star (David Love)

A win for predatory for-profit colleges, a loss for Kentucky | Lexington Herald-Leader (editorial)

The for-profit education sector depends on tax dollars in the form of grants and government-backed loans. DeVos' move will send an additional $5.3 billion over 10 years to programs, most of them for-profit, that would otherwise have lost federal funds because of their poor debt-to-earning ratios… Of that amount, about $4.5 billion would be Pell Grants, which go mostly to students with total family incomes of less than $20,000, and the rest would be student loans.

For-profit colleges invest heavily in advertising and aggressively recruiting students. Their ability to suck up financial aid dollars through heavy spending on recruitment leaves less state and federal aid for students who enroll in community and technical colleges that charge much lower tuition, are aligned with local industries and have a better record of preparing students for the job market.

This transfer of money from low-income students to for-profit colleges is the last thing Kentucky needs as it struggles to lift education levels that lag the rest of the nation and prepare more people for the workforce.

Skepticism in Higher Ed of Gainful Employment Rescission | Issues in Higher Education (LaMont Jones)
On Friday… U.S. Secretary of Education Betsy DeVos announced the Trump administration's plan to rescind Obama-era Gainful Employment regulations that were put in place to police for-profit and other schools receiving federal title IV funding. It's a policy change that Eaton and others in higher education contend will leave most vulnerable the students most likely to enroll in for-profit institutions – low-income and minority students, particularly African-Americans.

"This gives a get-out-of-jail free card to for-profit colleges to enroll students with heavy loan debt without providing much educational or career benefit," said [University of California – Merced sociologist Charlie] Eaton…

Navigating Student Loan Default | Inside Higher Ed

SYSTEMIC RISK

Getting the Volcker Rule Right May Be A Waste of Time | Mayra Rodriguez Valladares
The five regulatory agencies responsible for enforcing the rule are understaffed and do not have the necessary IT systems to monitor traders. It is unreasonable to expect that regulators offsite or onsite can determine whether a trade is really on behalf of a customer or whether it is for proprietary trading. Because the Volcker Rule applies to banks, it is then bank examiners and offsite bank supervisors who bear the most significant responsibility to determine whether banks are complying…

It is unfortunate that banks have spent millions of dollars fighting the Volcker Rule. Bank executives could have used this money to improve IT systems and to hire invaluable professionals in the fields of IT and data science. The Volcker metrics require banks to improve significantly their data collection, analysis and reporting.

It is just as disappointing that regulators have yet to require banks to disclose their metrics to the public.

Banks Say No Thanks to Volcker Rule Changes | Wall St. Journal
Trump-appointed financial regulators set out to ease the Volcker rule—a controversial postcrisis restriction for banks—and instead have drawn the industry's ire. Last week, lawyers representing JPMorgan Chase & Co., Bank of America Corp., Citigroup Inc., Wells Fargo & Co. and six other banks met with the Federal Reserve to complain about the recent proposal to revise the regulation designed to curb risky trading by banks, people familiar with the matter said. The banks said the proposal, dubbed Volcker 2.0 by financial regulators, could complicate compliance and hamper trading in asset classes not currently covered by the rule.

OTHER TOPICS

Companies Shouldn't Be Accountable Only to Shareholders | Wall St. Journal (Elizabeth Warren)
Before "shareholder value maximization" ideology took hold, wages and productivity grew at roughly the same rate. But since the early 1980s, real wages have stagnated even as productivity has continued to rise… Companies also are setting themselves up to fail.

Retained earnings were once the foundation for long-term investments. But from 1990 to 2015, nonfinancial U.S. companies invested trillions less than projected, funneling earnings to shareholders instead. This underinvestment handcuffs U.S. enterprise and bestows an advantage on foreign competitors...

Corporate charters, which define the structure and obligations of U.S. companies, are an obvious tool for addressing these skewed incentives. But companies are chartered at the state level. Most states don't want to demand more of companies, lest they incorporate elsewhere.

That's where my bill comes in. The Accountable Capitalism Act restores the idea that giant American corporations should look out for American interests. Corporations with more than $1 billion in annual revenue would be required to get a federal corporate charter. The new charter requires corporate directors to consider the interests of all major corporate stakeholders—not only shareholders—in company decisions. Shareholders could sue if they believed directors weren't fulfilling those obligations.

See video of Senator Warren's interview with Jim Cramer

Elizabeth Warren's Accountable Capitalism Act, explained | Vox

Elizabeth Warren's Accountable Capitalism Act would force companies to look beyond shareholder | Fox Business

Fox News Has Meltdown Over Elizabeth Warren's Accountable Capitalism Bill | MSNBC

Sen. Warren's Plan To 'Fix' Capitalism Would Destroy Trillions In Market Value | Investor's Business Daily
If Elizabeth Warren had her way, hundreds of the largest U.S. companies would have to get permission from the federal government to operate. Warren calls it the "Accountable Capitalism Act." A better label would be the "Capitalism Destruction Act," which is why even some liberals are balking at her radical plan.

Ag Bank Mergers Exacerbate the New Farm Crisis | Food & Power