AMERICANS FOR FINANCIAL REFORM

THIS WEEK IN WALL STREET REFORM
December 14 – December 20, 2013

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CONSUMER FINANCE AND CFPB

CFPB Sues Online Lender CashCall
Alan Zibel, Wall St. Journal, 12/1/6/13
"The Consumer Financial Protection Bureau accused a Southern California lender of illegally trying to collect payments on short-term loans made over the Internet, escalating a government crackdown on online lenders. The CFPB on Monday sued CashCall Inc. of Anaheim, Calif., in the U.S. District Court for Massachusetts, throwing its weight behind state attorneys general, who have moved to cut off online lenders for violating state interest-rate caps and licensing requirements.

"'Consumers were under no legal obligation to pay back money that CashCall took from their bank accounts,' said Richard Cordray, the CFPB's director. 'You cannot avoid federal law simply because your activities take place online.'

"CashCall purchased hundreds of thousands of loans made by Western Sky Financial, a now-defunct South Dakota-based lender, the CFPB said. Western Sky, which shut down in September, asserted it didn't need to follow state lending laws because it was owned by a member of an Indian tribe and enjoyed sovereign status under federal law. The CFPB rejected that argument, saying loans made to consumers in states including Arkansas, New Hampshire, New York, Colorado were invalid—either because the company violated interest-rate regulations or lacked a state license.

Colorado Joins CFPB Suit Against CashCall Short-Term Lender
Andrew Harris and Carter Dougherty

Fed Should Get Behind Tough Approach to Payday Lenders
George Goehl, The Hill, 12/17/13

Regulators Accuse Cash Call of Improperly Collecting From Borrowers
Stuart Pfeifer, Los Angeles Times, 12/16/13

Bill Aims to Stop Employers From Conducting Credit Checks
Blake Ellis, CNN, 12/17/13
"Massachusetts Senator Elizabeth Warren proposed the Equal Employment for All Act with six other senators. Under the bill, employers would no longer be able to require prospective

employees to go through a credit check or reject them due to negative information in a credit report.

“Such practices have become common among businesses. A report released this year from liberal think-tank Demos found that one in ten unemployed Americans have been denied a job due to information in their credit reports. And these checks are conducted for all kinds of positions -- from entry level to senior management.“

Senate Democrats Introduce Bill to Bar Employers From Using Credit Checks
Danielle Douglas, Washington Post, 12/17/13
“Hank Ronan knew he would get the job. He had sailed through three rounds of interviews and hit it off with the doctors at the diagnostic center in Annandale, Va., where he had applied to be a driver for $11 an hour.

“Shuttling patients to appointments was a world away from his 20 years as a software engineer, but it was the best that Ronan could find after being laid off in 2011. He was eager to get back to work and granted the doctor’s office permission to run a credit check. Ronan never heard back, he said Tuesday in an interview.

“He wouldn’t have thought much of it, but months earlier Ronan had received a rejection letter from a state-run liquor store that cited his poor credit as the reason he was not hired as a clerk. With about $20,000 in credit card debt, he said, he knew his finances were a mess, but he didn’t know that it could cost him a job.

Should Employers Be Barred From Using Credit Reports In Hiring?
Jonathan Berr, CBS MoneyWatch, 12/17/13

Workers' Rights Groups: It's Time to Outlaw Job Applicant Credit Checks
Rich Smith, DailyFinance.com, 12/19/13

AFR and Dozens of Other Groups Support Equal Employment for All Act
Joint Letter, 12/3/13

CFPB Scores $2.1 Billion Servicing Settlement Against Ocwen
National Mortgage Professional, 12/20/13
“The Consumer Financial Protection Bureau (CFPB), authorities in 49 states, and the District of Columbia filed a proposed court order requiring the country’s largest non-bank mortgage loan servicer, Ocwen Financial Corporation, and its subsidiary, Ocwen Loan Servicing, to provide $2 billion in principal reduction to underwater borrowers. The consent order addresses Ocwen’s systemic misconduct at every stage of the mortgage servicing process. Ocwen must also refund $125 million to the nearly 185,000 borrowers who have already been foreclosed upon and it must adhere to significant new homeowner protections.

“’Deceptions and shortcuts in mortgage servicing will not be tolerated,’ said CFPB Director Richard Cordray. ‘Ocwen took advantage of borrowers at every stage of the process. Today’s action sends a clear message that we will be vigilant about making sure that consumers are treated with the respect, dignity, and fairness they deserve.’”

CFPB Calls On Financial Institutions To Disclose Campus Financial Agreements
CFPB, 12/1/7/13

U.S. PIRG Applauds CFPB Call for Greater Disclosure
USPIRG, 12/17/13

Seven Things You Should Know About Student Debit/Credit Cards
John Wasik, Forbes, 12/18/13

Credit Card Issuers Still Cashing in on College Students, Alums
Melanie Hicken, CNN Money, 12/17/13
"While government reform has significantly curtailed the number of credit cards being offered on college campuses, card issuers and universities are still cashing in.

"The total number of marketing agreements credit card issuers had with colleges, universities and affiliated groups like alumni associations in 2012 was down 41% from 2009, when the Credit Card Accountability, Responsibility, and Disclosure Act was passed restricting the marketing of credit cards to college students, according to a report released Tuesday by the Consumer Financial Protection Bureau.

Unpacking the Proposed Student Loan Borrower Bill of Rights
Karen Weiss, Bloomberg Businessweek, 12/13/13

Despite Settlement, Demands to Repay Old Debt Resurface
Jane McNamara, Fox Business, 12/16/13

Democratic Lawmakers Call on FTC to Review Marketing Practices of Consumer Reporting Agencies
Targeted News Service, 12/19/13
"A coalition of Democratic lawmakers on the House Financial Services Committee today called on the Federal Trade Commission (FTC) to review the online marketing practices of nationwide Consumer Reporting Agencies, or CRAs. Specifically of concern are the offers of purported "free" services that often put consumers at risk of inadvertently purchasing expensive products and services, such as credit monitoring or identity theft services.

"The concerns were expressed in a letter to FTC Chairwoman Edith Ramirez, led by Ranking Member Maxine Waters (CA) as well as Reps. Carolyn Maloney (NY), Mike Capuano (MA), Rep. Lacy Clay (MO), Al Green (TX), Gwen Moore (WI), Keith Ellison (MN), Dan Kildee (MI), Joyce Beatty (OH) and Denny Heck (WA)."

DERIVATIVES, COMMODITIES AND THE CFTC

The Next Chapter for Derivatives Regulation
Editorial, NY Times, 12/16/13
"Under the Dodd-Frank financial reform law, the Commodity Futures Trading Commission, a five-member panel of three Democrats and two Republicans, has an all-important role in regulating the multitrillion-dollar market in derivatives. ..

“If [Sharon] Bowen is nominated and confirmed, that would leave the commission without a proven reformist or a technical derivatives expert. That situation would be unacceptable. The third Democratic commissioner, Mark Wetjen, has a reputation for second-guessing and watering down reforms. As for the two Republican seats on the commission, one is held by a foe of reform, and the second is vacant. For that seat, Mr. Obama nominated an industry lobbyist, J. Christopher Giancarlo, in August.

“To make a difference, the new rules must be vigorously defended, monitored and enforced. The C.F.T.C. is sure to be barraged with demands for regulatory relief and subjected to political pressure to ease up. Only a deep understanding of the markets coupled with an unshakable commitment to reform will enable the new regulatory regime to survive. With his choice of nominees, Mr. Obama has to ensure, in a way that he has not yet demonstrated, that the C.F.T.C. will continue to make progress.”

CFTC Is Poised to Expand Its Reach Overseas
Andrew Ackerman and Katy Burne, Wall St. Journal, 12/16/13
“The U.S. Commodities Futures Trading Commission is set to force overseas financial firms to comply with its set of rules governing swaps, saying that the multiple rules developed by overseas regulators were not strict enough, the Wall Street Journal reported, citing an official familiar with the process.”

CFTC Opens Probe Into Fees Charged by Managed Futures Funds
David Evans, Bloomberg, 12/19/13

Five Key Facts About the SEC's and CFTC's Cross-Border Regulatory Approaches
Micah Green, Bloomberg BNA, 12/13/13

CFTC Names Mark P. Wetjen Acting Chairman of the Commission
Scott Patterson, Wall St. Journal, 12/1/6/13

ENFORCEMENT

U.S. Preparing Civil Charges Against Citigroup, Merrill Lynch
Aruna Viswanatha and Emily Flitter, Reuters, 12/17/13
“The Justice Department is preparing to file civil fraud charges against Citigroup Inc and Bank of America's Merrill Lynch unit over their sale of flawed mortgage securities ahead of the financial crisis, according to people familiar with the probes.

“Civil investigators have compiled evidence that allegedly shows that investors lost tens of billions of dollars after purchasing securities Citigroup had marketed as safe even though the bank had reason to believe otherwise, one person said.”

JP Morgan’s $1 Billion Suit Will Be the First of Many
Rana Foroohar, Time, 12/18/13
“JP Morgan is suing the FDIC for $1 billion worth of fines over bad loans connected with WaMu, a firm that it acquired during the financial crisis at the behest of the government. I predict it will be the first of many such suits, as the dust from the financial crisis continues to settle, and the public and private sector wrangle over who is to blame for what happened.

"As I've written before, I wasn't in favor of the massive fines against JP Morgan to begin with. To me, what's needed is not monetary retribution (the total $13 billion in fines that JP Morgan has been asked to pay by Justice Department over bad loans made during the financial crisis, while large, amounts to only two quarters worth of profit for the bank), but clearer rules of the road for banks, which would help not only reduce risk, but also potentially increase lending. See my analysis of why the recently passed Volcker Rule doesn't get us there, here."

Big Victory in Government's Insider Trading Crackdown
Chad Bray and Michael J. De La Merced, NY Times, 12/19/13

FEDERAL RESERVE

How Janet Yellen's Agenda Could Transform Washington
Michael Hirsch, National Journal, 12/1/6/13
"Yellen is considered a nonideologue who will relentlessly follow the facts, whether they lead her toward solutions on the left or the right. "She is truly a scientist, in that she is an observer," says Jim Adams, a University of Michigan economist who has known Yellen since the 1970s. In her actions on the Federal Reserve Board and in her agonizingly deliberate, Brooklyn-accented testimony before Congress, Yellen has resolutely toed the traditionalist middle line on the Fed's 'twin' mandates to manage inflation and unemployment. And with her ready smile, pixie haircut, and diminutive size (5 feet), she doesn't look like much of a bomb-thrower.

"Yellen is also the product of an old progressive tradition of activist, pro-government economics. Above all, according to colleagues, she takes the nation's worst problems, especially unemployment, as a deeply personal challenge… Yellen, unlike Greenspan or a pre-2008 Bernanke, is probably the last person you'd hear repeating one of Reagan's favorite jokes: 'The nine scariest words in the English language are: "I'm from the government, and I'm here to help.'"

Which Stan Fischer Would Serve as Fed's No. 2?
Simon Johnson, Bloomberg, 12/13/13
"The Barack Obama administration has indicated that Stanley Fischer is the leading candidate to become vice chairman of the Federal Reserve System. In the initial rush of response, commentators tripped over themselves to praise Fischer's academic experience in the 1970s and 1980s, his work at the World Bank and the International Monetary Fund in the 1990s, his time as a senior executive at Citigroup Inc. in the early 2000s, and his work as governor of the Bank of Israel from 2005 until this year.

"A moment's reflection on this record should give pause. Close examination reveals two quite different Stan Fischers, in the sense that at different times in his busy career he has demonstrated diametrically opposed views on the systemic risks posed by large banks. Given the Fed's newly established leading role as a regulator, it is entirely reasonable to ask: What exactly are his current views?"

Obama's One Last Chance to Shake Up the Fed
Matthew C. Klein, Bloomberg, 12/13/13

INVESTOR PROTECTION

SEC Plans Higher Limit for Small Stock Deals Under JOBS Act
Dave Michaels, Bloomberg, 12/18/13
"The U.S. Securities and Exchange Commission unanimously proposed boosting by 10 times the amount of money companies can raise under a simplified public offering, the agency's latest step to ease fundraising by smaller firms.

"The SEC measure released for public comment in Washington today also would preempt such stock deals from state oversight, a change sought by small businesses and Republican lawmakers. Firms could elect to raise as much as $50 million, up from $5 million, while providing investors with fewer disclosures than required of public companies.

"The changes to the SEC's Regulation A are mandated by the 2012 Jumpstart Our Business Startups Act and designed to encourage investment in smaller companies."

Reed, Grassley Want Answers on FINRA Expungement Rate
Grassley Press, 12/17/13
"In an effort to protect investors and the integrity of the Financial Industry Regulatory Authority's (FINRA) BrokerCheck program, U.S. Senators Jack Reed (D-RI) and Chuck Grassley (R-IA) today sent a bipartisan letter asking FINRA to clarify and strengthen standards for expungement of investor complaints against brokers.

"Citing a recent Public Investors Arbitration Bar Association (PIABA) study, which found that FINRA arbitrators granted expungement relief in 96.9% of cases from May 2009 through December 2011, the U.S. Senators said they are concerned about the number of times investor complaints may be expunged, or removed, from publicly available broker records maintained by FINRA via BrokerCheck.

"The Senators wrote: 'We share FINRA's view that 'expungement is an extraordinary remedy that should be granted only under appropriate circumstances,' and that it should be permitted 'only when it has no meaningful investor protection or regulatory value.' However, we believe that meaningful investor protection includes the disclosure of whether a customer dispute was settled. Not just for transparency sake, but also to help prospective investors make informed decisions about which individuals or firms with whom to do business.'"

MORTGAGES AND FORECLOSURES

The New Mortgage Rules That Are Likely to Affect Your Next Home Purchase
Michele Lerner, Washington Post, 12/14/13
"If you're planning to buy a house next year — and unless you're in a position to make an all-cash offer — chances are you'll be affected by some significant changes occurring in the mortgage application process beginning in January.

"Several federal agencies are implementing new policies aimed at addressing lax underwriting standards that led to the housing market crash more than five years ago. The new policies could play a role in how much house you can afford. The policies require lenders to better verify that borrowers can afford the houses they are seeking to buy and can repay the loans. Some are intended to protect borrowers while holding lenders more accountable for their business practices."

[CFPB Updates Mortgage Rules Readiness Guide](#)
Richard J. Andreano, Jr., CFPB Montor, 12/16/13

How Important Is Down Payment in Determining Default?
Krista Franks Brock, DSNews.com, 12/16/2013
"Amid new regulations and increased focus on underwriting standards, the Federal Housing Finance Agency recently released a working paper on the impact of down payment amounts on loan performance at the GSEs and Federal Housing Administration (FHA).

"Overall, the federal agency found a nonlinear relationship between loan-to-value (LTV) ratio and foreclosure rates. FHFA also determined that credit score plays an important role alongside LTV ratios in determining the likelihood of foreclosure."

Lenders Hit With Another GSE Surprise: Higher LLPAs for Certain FICOs
Paul Muolo, InsideMortgageFinance.com, 12/17/13
"Fannie Mae and Freddie Mac – under the direction of the Federal Housing Finance Agency – have quietly increased certain 'loan level price adjustments" on lower FICO score mortgages, which will make residential credit more costly for borrowers.

"The LLPAs were not announced via a press release but instead appeared on the websites of the two GSEs before being noticed by certain players in the industry. A report from Zelman & Associates notes that the LLPA changes are in excess of the 10 basis point g-fee increase unveiled by FHFA last week. Zelman writes: 'Within the LTV and credit score matrix, the most negatively impacted borrower pools are those that carry credit scores from 680-759 and put down 5-20 percent. In these borrower cohorts, the recent FHFA-directed changes would raise effective financing costs by approximately 20-40 basis points.'

Heritage: New Mortgage Rules Will Unleash 'Predatory Regulators'
The Hill, 12/17/13

SYSTEMIC RISK & VOLCKER RULE

Volcker Rule Quickly Hits Utah Bank
Matthew Goldstein, NY Times, 12/16/13
"The Volcker Rule was approved just a week ago, but it's already forcing some banks to come clean about owning the kind of risky securities that the new regulation is intended to prevent banks from investing in.

"A big regional lender, Zions Bancorporation, said on Tuesday that it was taking a charge of $387 million to rid itself of a sizable portfolio of trust-preferred collateralized debt obligations and other C.D.O.'s. The bank, based in Salt Lake City, said it was taking the fourth-quarter, noncash charge and putting the portfolio up for sale because it believed the securities would be considered 'disallowed investments' under the Volcker Rule."

Volcker Rule Blame Game Begins With News of Loss: Jonathan Weil
Jonathan Weil, Bloomberg, 12/16/13

"It turns out that a good-sized chunk of Zions Bancorp's earnings existed only in its executives' minds. For this nugget of knowledge, we can thank the Volcker rule. Or at least that's what the bank is blaming for its newfound losses.

"The Salt Lake City-based lender today said it would record a significant charge to earnings to write down a bunch of collateralized debt obligations that it won't be allowed to hold once the Volcker rule -- designed to prevent banks from gambling with federally insured deposits -- takes effect. The size has yet to be determined. However, if the charge were based on Sept. 30 prices, Zions said it would have been about $387 million. Zions hasn't earned that much in a fiscal year since 2007."

The Volcker Rule's Not So Fatal Flaw
Stephen Gandel, CNN Money, 12/16/13
"The loudest complaints focused on the fact that most of the surveillance of the rule will be conducted by the banks themselves. For example, one of the key measures of the rule is that bank CEOs must attest to the fact that their firm is not secretly trading solely for its own accounts. Sarah Bloom Raskin, the Federal Reserve governor President Obama has nominated to deputy Treasury secretary, told the *Huffington Post* that relying on banks to say whether they are complying with a rule that rests on a lot of subjectivity like Volcker made little sense.

"But that seems like a critique of bank regulation in general. Most bank rules rely on self-reporting, even after Dodd-Frank. And the self-reporting requirements under Volcker are more onerous than usual. The draft rule included 14 new reports that banks will need to file to regulators to satisfy the requirements in Volcker. Banks will have to produce a monthly report that details the trades they're making to ensure that they are all related to client transactions and not trades the bank is solely making for themselves. The banks will also have to test their trading against seven metrics to prove they are complying with the rules, and report those results to regulators."

Wake Up The Banking Police
Gretchen Morgenson, NY Times, 12/15/13

Stumbling Toward the Next Crash
Gordon Brown, NY Times, 12/19/13
"In early October 2008, three weeks after the Lehman Brothers collapse, I met in Paris with leaders of the countries in the euro zone. Oblivious to the global dimension of the financial crisis, they took the view that if there was fallout for Europe, America would be to blame — so it would be for America to fix. I was unable to convince them that half of the bundled subprime-mortgage securities that were about to blow up had landed in Europe and that euro-area banks were, in fact, more highly leveraged than America's.

"Despite the subsequent decision of the Group of 20 in 2009 on the need for rules to supervise what is now a globally integrated financial system, world leaders have spent the last five years in retreat, resorting to unilateral actions that have made a mockery of global coordination. Already, we have forgotten the basic lesson of the crash: Global problems need global solutions. And because we failed to learn from the last crisis, the world's bankers are carrying us toward the next one."

Fed Said to Delay Bank Leverage Rule Until Basel Plan Ready
Bloomberg, 12/18/13

The Volcker Rule: Complexity Trumps Common Sense
Allan Sloan, CNN, 12/18/13

Wall Street Will Prepare Ways to Gut the Volcker Rule
Jake Zamansky, Forbes, 12/17/13
"The ink is not even dry on the new Volcker Rule, designed to stop investment banks from speculative trading for their own gains and limiting their ability to invest in hedge funds. But Wall Street and its bankers are surely starting to look for ways around the rule, which was finalized last week and created after the financial crisis as a way to limit banks' participating in high risk strategies.

"Banks, of course, are seeking exemptions, loopholes and new ways to interpret the rule, rather than designing ways to fully comply with it, according to news reports. Why are all the Wall Street lawyers and lobbyists frantically working on trying to eliminate or reduce the impact of the Volcker Rule? It's simple. Bank executive compensation depends on the profits they reap from speculative trading."

Volcker Rule Shows Its Wide Reach
Al Yoon, Andrew R. Johnson, Michael Rapoport, Wall Street Journal, 12/16/13
"Unforeseen consequences of the Volcker rule already are rippling into the furthest corners of the economy and financial markets.

"Financial institutions and investors are scrambling to line up a new way to finance municipal-bond investments, with the week-old rule set to curtail banks' dealings in so-called tender-option bonds—a $75 billion niche of the market for debt issued by cities, states and local governments."

Wall Street to Revamp Leveraged Muni Funds After Volcker Curbs
William Selway and Brian Chappatta, Bloomberg, 12/17/13

Don't Expect Eye-Popping Fines for Volcker Rule Violations
Peter J. Henning, NY Times, 12/16/13
"The vagueness of the rule's prohibition on certain types of proprietary trading will make it difficult to show that a trader knowingly violated it, or even acted recklessly, because it will be easy for an individual to claim ignorance.

"A more likely path for enforcement is through the internal controls requirement imposed by the Volcker Rule on banks. Proof of an inadequate compliance program does not involve showing an intent to defraud, but only that the person or company failed to comply with corporate reporting requirements. …..

"The near-term prospect of enforcement actions for violations of the Volcker Rule appears to be minimal. The Federal Reserve extended the implementation period to July 2015, and the compliance requirements will phase in for smaller banks. That reduces the chances of any bank being investigated for a violation until it has a compliance program in place."

Volcker: Banks Requested Two Years For Data Analysis (Then They Were Given 6 Months)
Leo King, Forbes, 12/18/13

Volcker Rule's CDO Restrictions Prompt Push for Guidance
Cheyenne Hopkins and Jesse Hamilton, Bloomberg, 12/19/13

OTHER TOPICS

U.S. Senate Panel Backs Raskin for Treasury Deputy
Reuters, 12/13/13
"A U.S. Senate committee backed Federal Reserve Governor Sarah Bloom Raskin on Friday to be the Treasury Department's No. 2 official, sending the nomination to the full Senate where final approval looks likely.

"The Senate Finance Committee voted by voice vote in favor of the nomination. It is not clear how soon the full chamber will take it up. A former Maryland banking regulator, Raskin is expected to be a central figure in the roll-out of new Wall Street regulations aimed at preventing future financial crises. U.S. regulators have only finalized about 40 percent of the nearly 400 rules required by the 2010 Dodd-Frank Wall Street reform law, law firm Davis Polk estimated in December.

JPMorgan, BofA, Others Sued Over $54B In Swipe Fees
David McAfee, Law 360 (Paywalled), 12/17/13
"JPMorgan Chase & Co., Bank of America Corp. and other top banks were hit with a proposed class action in California federal court Monday by a group of MasterCard and Visa cardholders who say the banks conspired to fix "interchange fees," resulting in $54 billion in illegal charges per year."

It's Long Past Time to Kill the Bank Branch
Maria Aspan, American Banker, 12/17/13
"For years, bankers have bemoaned the looming death of the traditional bank branch. Now it looks like it's actually starting to happen. *Finally*.

"Last week brought a slew of announcements about branch closures from banks including JPMorgan Chase (JPM), Regions Financial (RF) and TCF Financial (TCF). Those cuts are notable, if more cosmetic than transformative; Regions closing 30 of its 1,700 branches amounts to more of the same careful pruning around the edges we've seen from expense-wary banks in the years since the financial crisis. But those handfuls of closures were overshadowed by a far more intriguing – and potentially game-changing – plan from PNC Financial (PNC).

"After years of bank executives acknowledging that they will eventually have to do something about their outdated and expensive branch networks, PNC Chief Executive William Demchak appears to be taking the plunge."

Forbes: America's Best And Worst Banks 2014
Kurt Badenheim, Forbes, 12/19/13
"This year the U.S. banking industry continued its slow recovery from its nadir in 2010, as banks cleaned up their balance sheets and reduced nonperforming loans and assets. There were only 24 bank failures in 2013, versus 51 last year. Failures peaked at 157 in 2010. The FDIC's 'Problem List' of banks shrank to 515 from 694 a year ago (it was 888 in March 2011).

“Yet there is still a broad disparity between the best and worst banks. In order to gauge the financial health of the 100 largest U.S. banks and thrifts, Forbes turned to Charlottesville, Va.-based financial data provider SNL Financial for information on asset quality, capital adequacy and profitability. The data is based on regulatory filings through the third quarter of 2013. SNL provides the data, but the rankings are done by Forbes (click here for a more detailed methodology and a complete ranking of the 100 largest banks).”

Citigroup Said to Keep Bonuses Flat or Down for Traders, Bankers
Dakin Campbell, Bloomberg, 12/19/13

Talks Resume on New European Banking Controls
John-Thor Dahlburg And Juergen Baetz, Associated Press, 12/18/13

The Hill: K St. Mints Money From Regs Surge
Megan R. Wilson, The Hill, 12/18/13

A Weak Case for New U.S. Insurance Regulator
Darrell Delamaide, USA Today, 12/17/13

Finance Executives Are Confused About Why the Nation Loathes Them
Brendan Greeley, Bloomberg Businessweek, 12/16/13
“Last week’s *Politico Magazine* ran a story quoting Wall Street executives who have become saddened and bewildered by how little pull they have in Washington: “… it may be the first time since the Great Depression that the New York banker class has been this disconnected from both parties simultaneously.

“The pervasive dismay, alienation and hopelessness comes through in recent conversations with CEOs, hedge fund managers and private equity officials—all of them major Wall Street donors who’ve seen their influence in Washington tested and who are now uncertain whether and how to re-engage. ‘Like the rest of America, Wall Street is looking at Washington and saying whether we agree or disagree, they’re looking at both parties with complete revulsion,’ one private equity executive told us.”

“The executives, almost all of whom declined to go on the record, say they don’t feel they’ve enjoyed either public respect or a private connection with the Obama administration. At the same time, they feel Mitt Romney was a terrible messenger, and they’ve been ‘turned off’ by the Republicans this year. This puts the executives in a strange and awkward position: *They don’t know who to give their money to.”*

Is There a Conservative Alternative to Financial Reform?
Mike Konczal, Washington Post, 12/14/13

Smaller Banks Consider Digital Products to Broaden Reach
Jackie Stewart, American Banker, 12/17/13