



# FedFin Daily Briefing

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Friday, May 13, 2022

## GOP Fuels FDIC Battle With New Letter To Chopra

Following up on their [scathing letter](#) yesterday to Acting Comptroller Hsu, leading House Republicans today sent another [letter](#) to CFPB Director Rohit Chopra demanding significantly more transparency around the Bureau's Policy Fellowship Program and accusing the Director of using the Program as a means to circumvent civil service laws. Signatories of the letter, which include HFSC Ranking Member McHenry (R-NC) along with Reps. Emmer (R-MN), Luetkemeyer (R-MO), and Timmons (R-SC), sharply question Director Chopra over possible favoritism in the Fellow selection process. Reflecting continuing GOP ire over the FDIC merger RFI, the letter also references documents that allegedly demonstrate the "key role" played by a Fellow in this process. The letter requests numerous documents on fellows hired since April 2021 by May 24.

## Treasury Reiterates Need for Shell-Company Transparency

Treasury today [announced](#) its 2022 national illicit-finance strategy, now governing the rest of a year in which Russia-related transactions have assumed far greater importance than when risks underlying this strategy were first identified. Four priority recommendations emphasize shell companies and all-cash real estate transactions, with the release reiterating Treasury's first-ever [order](#) sanctioning accountants and other service providers related to corporate formation if they support sanctioned individuals or entities. Another action step includes advancing the beneficial-ownership rules now stalled at considerable consternation to [Congress](#). The strategy also promises increased regulatory and supervisory clarity and operational effectiveness, including with regard to increased use of AI and other forms of regtech.

## Recent Files Available for Downloading

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The following reports and analyses have been sent to retainer clients recently. Copies are also available to retainer clients on the Archives section of Federal Financial Analytics' website: [www.fedfin.com](http://www.fedfin.com) or clients may obtain the reports/analyses by e-mailing [info@fedfin.com](mailto:info@fedfin.com) giving the requested item name, firm, and e-mail address. To learn more about *GSE Activity Reports*, click [here](#).

- [FSOC27](#): With stablecoin markets even more distressed than earlier in the week, today's HFSC hearing with Secretary Yellen was even more emphatic than senators two days before on the need for action ([see Client Report FSOC26](#)).
- [FSOC26](#): Today's Senate Banking Committee hearing with Secretary Yellen renewed calls for federal legislation based on recent algo-coin losses and resulting digital-currency market volatility.
- [SYSTEMIC93](#): In this report, we assess the new Federal Reserve financial-stability [report](#).
- [CRA31](#): The FDIC today led the way with release of a long-awaited inter-agency [proposal](#) updating decades-old CRA regulation.
- [CLIMATE13](#): The FSB's report is aimed at establishing global standards that prevent fragmentation along national or regional lines as well as ensuring that regulatory and supervisory actions mitigate climate risk to the greatest extent possible in the face of an array of data and measurement challenges.
- [INTERCHANGE9](#): As anticipated, bankers and card networks squared off with merchants at today's Senate Judiciary hearing addressing credit-card interchange fees.

- [GSE-042822](#): In this note, we expand on our analysis of the CFPB's new campaign against [nonbank financial institutions](#) to look more deeply at its impact on residential-mortgage finance.
- [CONSUMER42](#): Today's HFSC hearing with CFPB Director Chopra plowed much ground broken yesterday before the Senate Banking Committee ([see Client Report CONSUMER40](#)), but several new furrows were also unearthed.
- [CONSUMER41](#): Using what it describes as "dormant" authority, the CFPB is seeking comment on a rule setting the procedures under which it expands its authority to nonbank financial companies it believes pose consumer-protection risk.
- [CONSUMER40](#): The Senate Banking Committee's hearing today with CFPB Director Chopra was a sharply partisan session with little immediate impact on what Mr. Chopra plans to do to achieve his sweeping new vision.
- [GSE-042122](#): In our last CRT [analysis](#), we looked at transaction viability under the Basel IV rewrite set for rapid release once key Fed nominees are finally confirmed.
- [GSE-042022](#): As we noted [yesterday](#), the IMF's financial-stability [report](#) includes a searing assessment of fintech risk.
- [CBDC11](#): As [promised](#), we turn here to an in-depth analysis of a [paper](#) from global regulators on whether CBDC contributes to financial inclusion – one of the most vital arguments from those advocating CBDC in the U.S. and in many other nations.
- [GSE-041522](#): Cementing her very different vision of Fannie and Freddie, Acting Director Thompson has now finalized a new strategic plan for the FHFA emphasizing the importance of both equitable and sustainable housing finance.