



FedFin Daily Briefing

Thursday, August 18, 2022

CFPB Plans to Change Credit-Card Filings

The CFPB is seeking comments on revisions to reports it receives on credit-card terms and those related to certain cobranding agreements. Although the new data are not described, the Bureau is likely planning to gather more information supporting its campaign to limit “junk fees, ([see FSM Report CONSUMER38](#)), govern credit-card late fees ([see FSM Report CREDITCARD35](#)), and otherwise restructure this sector.

IMF Blog: Climate Finance Should Blend Public/Private Sectors

An IMF [blog post](#) today by its managing director Kristalina Georgieva and Tobias Adrian advocates for blending public and private sector finance as a way of de-risking climate finance. Advocating options that pose challenges under both U.S. law and longstanding-policy tradition, the Fund recommends public-sector equity investments and credit enhancements, highlighting additional financing practices it says would reduce impediments to private capital such as public-private partnerships, multi-sovereign guarantees, and separate underwriting for risks such as political instability. The authors also call for predictable carbon pricing, concluding by outlining public-sector leadership priorities such as stronger climate information systems, consistent disclosure standards, and standardized global climate-finance taxonomies.

FDIC Takes Concrete Anti-Overdraft Action

Although the CFPB has [blasted](#) overdraft fees and Acting Comptroller Hsu has suggested that they may pose supervisory [concerns](#), the FDIC today took concrete action against them. In a new supervisory [edict](#), it announced that state nonmember banks receiving multiple NSF fees for the same transaction risks supervisory sanction because such fees are unsafe and unsound. The statement also details essential remediation action to prevent supervisory sanction. The FDIC’s first express supervisory order under Acting Chairman Gruenberg, this may form the first of a series of actions designed to speed the CFPB’s objectives within the extent of the FDIC’s authority.

Recent Files Available for Downloading

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 or clients may obtain the reports/analyses by e-mailing info@fedfin.com giving the requested item name, firm, and e-mail address. To learn more about *GSE Activity Reports*, click [here](#).

- [PAYMENT25](#): Following considerable controversy surrounding how Federal Reserve Banks grant master accounts, it has finalized a somewhat more explicit set of guidelines along lines proposed the second time the Fed attempted to set guidelines via a “supplemental” proposal earlier this year amending its 2021 effort.
- [GSE-081722: FHFA](#) and [Ginnie Mae](#) today let loose their long, long delayed standards for eligible seller-servicers.
- [INFOSEC28](#): Using another of its tools to set policy without prior public comment, the CFPB has

released a circular stating that inadequate consumer-data safeguards may constitute a breach of the unfair, deceptive, or abusive acts or practices (UDAAP) protection standards subject to Bureau enforcement action.

- **[FINTECH30](#)**: Continuing its practice of setting sweeping policy by administrative action without prior notice or comment, the CFPB has issued an interpretive rule sharply curtailing the extent to which digital advertising and market strategies are exempted from the legal and compliance obligations associated with most parties directly providing consumer financial products or services and those acting as servicers to these entities.
- **[GSE-081222](#)**: [FHFA](#), [Fannie](#), and [Freddie](#) yesterday released the results of FHFA's latest stress test, focusing on the severely-adverse scenario in order – or so FHFA says – to push the GSEs to the limit.
- **[INTERCHANGE10](#)**: Two senators have reopened questions about the manner in which card-related payments are handled, tackling those applicable to credit cards with a bill mandating that merchants must be given a network choice that is not either Visa or Mastercard in order to, the sponsors argue, increase competition and lower credit-card transaction costs.
- **[LIBOR8](#)**: Moving belatedly but now expeditiously to implement legislation governing legacy-contract benchmarks when there is no contractual fallback rate, the Fed has proposed a new framework for derivatives, consumer loans, certain GSE contracts, and any other legacy contracts without clear LIBOR-replacement provisions and a “determining person” to effectuate them.
- **[GSE-072122](#)**: We yesterday provided a complete assessment of Sandra Thompson's sojourn on HFSC's [griddle](#), noting the lack of any insights into essential issues such as conservatorship's end or the full scope of CRT's new beginning.
- **[GSE147](#)**: At her first hearing as confirmed FHFA Director, Sandra Thompson made it clear to House Financial Services that she is committed to expanding credit-risk transfer (CRT), encouraging equitable finance via new GSE activities, and recapitalizing Fannie and Freddie as quickly as possible.
- **[GSE-071922](#)**: As noted earlier today, the Fed has finally brought forth its LIBOR-transition [proposal](#) specifying permissible benchmarks for legacy contracts without contractual fallback rates.