



Friday, April 12, 2024

Barr, Tillis Warn CFPB Against Mandatory-Arbitration Ban

HFSC Financial Institutions Chair Barr (R-KY) and Sen. Tillis (R-NC) sent a [letter](#) to the CFPB today threatening to invoke the Congressional Review Act to overturn any newly-proposed mandatory-arbitration ban from the CFPB, warning that it would violate the CRA. This is based on the enactment of a reversal of the agency's prior ban in 2017 which the Members state now cannot be vitiated by any proposal close to the one revoked. There is no such proposal nor even any official CFPB indication of one, but the letter cites a [petition](#) demanding a new rule along with calls from [Democrats](#) backing this up.

IOSCO Adds CD, AI Workstreams to Revised Work Plan

IOSCO today [announced](#) revisions to its 2024 work plan, adding new workstreams to address opacity and illiquidity in the single-name CDS market as well as the integrity, financial stability and investor protection associated with AI along with monitoring financial-asset tokenization.

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](#).

- [RESOLVE51](#): In its first public statement since 2013 about how it would execute an SPOE resolution ([see FSM Report RESOLVE23](#)), the FDIC yesterday released a [report](#) Chair Gruenberg [described](#) as demonstrating the FDIC's readiness to resolve a U.S. GSIB and the process it has developed for doing so under the orderly liquidation authority (OLA) provided in the Dodd-Frank Act ([see FSM Report SYSTEMIC30](#)).
- [GSE-041024](#): *Bloomberg today* reports that the CFPB may simply ban consumer payment for lender title insurance.
- [AML137](#): Senate Banking Committee's Hearing with Deputy Secretary Adeyemo reviewed the Administration's request for additional digital asset AML/CFT authority.
- [GSE-040824](#): It wasn't hard for us to forecast that, after NEC Director Brainard [endorsed](#) CFPB Director Chopra's jihad against mortgage "junk fees," that the discount points that received particular opprobrium would be moved up the priority ladder for federal restriction.
- [GSE-032924](#): Following FSOC's fulminations about [nonbank mortgage companies](#), FHFA in 2023 heightened its supervisory standards mandating GSE prudential governance of eligible seller servicers.
- [MERGER15](#): Following its 2022 request for input, the FDIC has released a formal proposal that would redefine the agency's bank-merger policy into one that will make it difficult for all but the smallest and simplest transactions within its jurisdiction to have the clear prospects for approval usually necessary in non-emergency transactions, subjecting other M&A applications to protracted review with a high likelihood of denial.
- [REFORM231](#): Today's HFSC hearing on global governance featured [expected](#) Republican attacks on what they called the opaque nature of U.S. interactions with international organizations, with Chairman McHenry (R-NC) promoting a draft bill requiring regulators to report dealings with global standard-setting groups to Congress.

- **GSIB24**: Reflecting concerns expressed about banks that window-dress key regulatory data as the post-crisis framework took shape, the Basel Committee has now issued a request for views on how to prevent this when it comes to GSIB calculations related to their surcharge or possible designation.
- **CREDITCARD37**: Following a very controversial proposal, the CFPB has finalized credit-card late-fee restrictions in a final rule that does not differ significantly from the proposal on its key point: elimination of the manner in which inflation adjustments are now made by credit-card lenders when it comes to late fees.