

Financial Services Committee – October 17, 2014



Friday Quick Hits

Yellen Makes Stops in Massachusetts – Federal Reserve Chair Janet Yellen [spoke at](#) the Federal Reserve Bank of Boston’s Conference on Economic Opportunity and Inequality this morning, telling participants that “by some estimates, income and wealth inequality are near their highest levels in the past hundred years.” Yesterday, Yellen [made a stop](#) at a community services group in Chelsea to hold a discussion with local workers and community leaders.

Federal Regulators Set to Approve Mortgage Rules – It appears that after three years of discussion, six U.S. financial regulatory bodies will finalize a “relaxed set” of mortgage market standards in the coming weeks, the [Wall Street Journal](#) reports.

Obama Visits CFPB Headquarters to Announce New BuySecure Initiative – In a visit to the Consumer Financial Protection Bureau (CFPB) today, President Obama announced that he had [signed an Executive Order](#) to help stop data breaches affecting consumers by ensuring debit cards that transmit federal benefits to millions of Americans contain an internal chip rather than a magnetic strip. The President also announced a White House Summit on Cybersecurity and Consumer Protection to be held later this year.

Fed’s Fischer Raises Prospect of Delayed Rate Hike – In [remarks](#) at the Annual Meetings of the International Monetary Fund and the World Bank Group, Federal Reserve Governor Stanley Fischer suggested that the Fed may delay any move to raise rates should the foreign growth be “weaker than anticipated.”

New Report Details States’ Pension Funds – The Private Equity Growth Capital

Council (PEGCC) released its [annual ranking](#) of large public pension funds this week, detailing private equity returns and investments by state. Massachusetts' Pension Reserves Investment Trust ranked second for private equity return, behind Texas' Teacher Retirement System. The PEGCC also released an [interactive map](#) showing private equity in each state.

SEC Schedules Forum on Small Business Capital Formation – The Securities and Exchange Commission (SEC) announced that it will hold its annual Government-Business Forum on Small Business Capital Formation at its Washington, D.C. headquarters on November 20. Those interested in participating may find additional information [here](#).

Piwowar Skeptical of SEC's 'Broken Window' Enforcement Approach – Citing “the vastly increasing complexity of the laws and rules that govern the securities industry,” SEC Commissioner Michael Piowowar [told the Securities Enforcement Forum](#) that if the federal government “create[s] an environment in which regulatory compliance is the most important objective for market participants, then we will have lost sight of the underlying purpose for having regulation in the first place.” Instead, “enforcement efforts will be most successful in achieving desired outcomes when those efforts are closely aligned with the priorities developed by our policy-making divisions.”

CFPB Releases Report on Students 'Driven into Default' – The Consumer Financial Protection Bureau (CFPB) [released a report](#) Thursday outlining complaints from distressed student loan borrowers who believe that were driven into default by a lack of information or help when they get in trouble, as well as a lack of affordable loan modification options available.

GOP Campaigns Seeing Influx of Cash from PE, Hedge Funds – With Republicans all but certain to maintain control of the House and poised to attain a slim majority in the Senate, [CNBC reports](#) that employees of hedge funds and private equities firms are donating to political candidates and committees – predominantly to the GOP – at record levels, as spending by employees of commercial banks and investment-focused banks and securities brokers has dropped from the previous midterm cycle.