

Feature Story

CFPB Rule Amends Regulation Z Ability-to-Pay Requirements
Limiting Credit Access for Stay-at-Home Spouses

The Consumer Financial Protection Bureau published a [final rule](#) amending Regulation Z, which prohibited credit card issuers from opening new accounts or increasing credit limits for customers without considering the consumer's independent ability to pay. The Dodd-Frank Act amended the Truth in Lending Act (TILA)—which underpins Regulation Z—to require credit card issuers to consider the independent ability to pay for a credit card account or increased credit limit of consumers under the age of 21. The

Bureau exercised its discretion to expand the regulatory requirement to all consumers in the previous rulemaking, blocking some adults (such as stay-at-home spouses) from obtaining credit cards for lack of *independent* ability to pay. “The Bureau of Consumer Financial Protection (Bureau) is issuing this final rule to amend §1026.51 and the official interpretations to the regulation to address concerns that, in light of the statutory framework established by TILA sections 150 and 127(c)(8), current §1026.51(a) may be unduly limiting the ability of certain individuals 21 or older, including spouses or partners who do not work outside the home, to obtain credit.”

Opinion

- Is Obama really reducing regulatory burdens?
- Dodd-Frank is finally being implemented. Will that be enough?
- How the FCC Could Shape a Mobile Data-Driven Economy
- New Regulations Are Strangling Community Banks
- Day of the Deregulators
- Congress Must Rein In Expensive 'Sue and Settle' Tactics by EPA
- The SEC's Cross Border Regulatory Creep

Marketplace of Ideas

AFL-CIO

- Death on the Job: The Toll of Neglect - A National and State-by-State Profile of Worker Safety and Health in the United States

American Action Forum

- The Week in Regulation: April 29 to May 3, *Sam Batkins*
- Regulation Review: SEC's New Security-Based Swaps Proposal, *Dan Goldbeck*

In the News

5/1/13

[Fannie, Freddie agency nominee signals desire to preserve government-backed mortgages](#), *Washington Post*

[SEC subpoenas firm, individuals in a case of leaked information](#), *Washington Post*

[Commodity traders could face regulation for role as lenders](#), *Reuters*

[White House reviewing rule to crack down on puppy mills](#), *The Hill*

[Financial regulator votes to move forward with new Dodd-Frank rules on swaps](#), *The Hill*

[Obama taps Rep. Watt for housing chief](#), *The Hill*

[Obama calls FCC pick 'the Bo Jackson of telecom'](#), *The Hill*

[Former EPA chief under fire for new batch of 'Richard Windsor' emails](#), *The Hill*

[Obama Names Rep. Watt as Fannie Mae Regulator](#), *Bloomberg TV*

[Obama Names Former Lobbyist Wheeler U.S. FCC Chairman](#), *Bloomberg*

5/2/13

[Flood of new regulations made Obama's first term costliest in history](#), *Washington Examiner*

[Alaska starting first full cruise ship season under fuel rules meant to cut emissions](#), *Washington Post*

[FDA wrapping up safety review of chemical in antibacterial soap after 40 years of delays](#), *Washington Post*

[Heritage study finds \\$70 billion in Obama regulatory costs](#), *The Hill*

[Small Banks Seek Exemption in U.S. Collection of Fee Data](#), *Bloomberg*

[Regulators Scrutinize Auto Lenders Over Add-Ons](#), *Wall Street Journal*



American Enterprise Institute

▪ President Obama to nominate Rep. Mel Watt as the director of the Federal Housing Finance Agency, *Edward J. Pinto*

Center for Effective Government (Formerly OMB Watch)

▪ OMB Report: Standards and Safeguards Have Produced Vast Benefits at Minimal Cost

Center for Progressive Reform

▪ Large OSHA Fine for Poultry Processor Highlights Flaw in USDA Proposal to Revise Inspection System, *Matt Shudtz*

Center for Public Integrity

▪ 'Retail exemption' shields some fertilizer facilities from stringent safety inspections, rules, *Chris Hamby*

Competitive Enterprise Institute

▪ CEI's Battered Business Bureau: The Week in Regulation, *Ryan Young*

Daily Caller News Foundation

▪ Report: EPA rules to shut down more than 280 coal-fired units, *Michael Bastasch*

Federal Regulations Advisor

▪ Monday Morning Regulatory Review – 5/6/13, *Leland Beck*

Federalist Society

▪ Could Proposed FCC Rules Restrict Competitive Bidding Under the Spectrum Act?, *David McIntosh*

FreedomWorks

▪ Will the FDA Hold Back Medical Innovation?, *Logan Albright*

The George Washington University Regulatory Studies Center

▪ A Retrospective Review of Retrospective Review, *Susan Dudley*

Heritage Foundation

▪ Red Tape Rising: Regulation in Obama's First Term, *James Gattuso & Diane Katz*

▪ INFOGRAPHIC: Obama's Red Tape Rising, *Kelsey Harris & Diane Katz*

▪ New Red Tape Rising Report: Regulation in Obama's First Term, *James Gattuso*

The Mercatus Center

▪ Public Interest Comment: Financial Market Utilities, *Hester Peirce*

Penn Program on Regulation

▪ The Regulatory Week in Review: May 3, 2013, *RegBlog*

[JPMorgan Caught in Swirl of Regulatory Woes](#), *New York Times*
[Battle rages over 'slaughtered in the USA' labels for meat](#), *The Hill*
[Financial regulators shuffle jobs](#), *The Hill*

[Committee vote set for EPA nominee](#), *The Hill*

[Oil and gas trade group guarded on upcoming fracking rules](#), *The Hill*

[What Happened to the Volcker Rule?](#), *Bloomberg TV*

[SEC's Bowden to Head Exam Program as di Florio Joins Finra](#), *Bloomberg*

5/3/13

[Obama says he's OK with FDA decision allowing morning-after pill sales to 15-year-olds](#), *Washington Post*

[Money-Fund Rules Will Preserve Product's Value, SEC's White Says](#), *Bloomberg*

[Fed governor calling for stronger capital at megabanks](#), *Washington Post*

[SEC's new chairman says money market fund reforms coming in the 'near future'](#), *Washington Post*

[Fed's Tarullo wants big banks to hold more capital](#), *Reuters*

[Report: Texas fertilizer plant tried to evade safety regulations](#), *The Hill*

[FDA official calls caffeinated food 'very disturbing to us'](#), *The Hill*

[House will take up bill to rein in the SEC's regulatory power](#), *The Hill*

[SEC's White on Regulation, Global Cooperation](#), *Bloomberg TV*

[Tarullo Calls for Greater Capital, Liquidity at Large Banks](#), *Bloomberg*

[Report: EPA rules to shut down more than 280 coal-fired units](#), *Daily Caller News Foundation*

5/4/13

[Vacancies, furloughs piling up at OMB](#), *The Hill*

5/5/13

['Act of Congress': How Barney Frank foiled the banking lobby to form a new financial watchdog](#), *Washington Post*

5/6/13

[Banks paint wider targets after early misses](#), *Reuters*

[Regulatory agency employees dodge sequester furloughs](#), *The Hill*

[Bureau to issue fines for violating consumer protection laws](#), *The Hill*

[Gov't watchdog: FAA safety oversight of repair stations servicing US airlines is ineffective](#), *Washington Post*

[FDA warns pregnant women that certain migraine drugs can decrease IQ levels in children](#), *Washington Post*

[FDA proposes cancer warnings on tanning beds and more safety requirements for manufacturers](#), *Washington Post*

[FDA orders warning labels on tanning beds](#), *The Hill*

[Housing regulator to tighten restrictions on government-backed home loans](#), *The Hill*

[SEC charges Harrisburg, Pa., with 'reckless' securities fraud](#), *The Hill*

[Feds want five-year paper trail for livestock](#), *The Hill*

5/7/13

[CFTC Possibly Exploring Regulations for Bitcoin](#), *Bloomberg TV*

[Swap Regulators Face Congressional Push to Curb Dodd-Frank](#), *Bloomberg*

[Tanning Beds Should Carry Skin Cancer Warnings, FDA Says](#), *Bloomberg*

[Obama's Record on Chemical Safety Criticized After Blast](#), *Bloomberg*

[GOP: ObamaCare compliance burden nears 190 million hours](#), *The Hill*

[Consumer bureau, DOJ team up against fraudulent debt-relief firm](#), *The Hill*
[Regulator eyes rules for digital currency Bitcoin](#), *The Hill*

[Labor group's report blames worker deaths on stalled safety regs](#), *The Hill*

[EPA denies request to regulate coal mine methane emissions](#), *The Hill*

[Appalachian groups ask EPA to set conductivity rule for runoff from](#)



▪ Real State Power Means Getting in the Obamacare Game, *Heather Gerken & Theodore Ruger*

Progressive Policy Institute

▪ EVENT: Regulating in the Digital Age, May 9th 9:00am - 3:30pm

Resources for the Future

▪ The New CAFE Standards: Are They Enough on Their Own?, *Virginia D. McConnell*

Sunlight Foundation

▪ Key elements of food safety law stuck at White House regulatory agency, *Nancy Watzman*

[mountaintop removal sites](#), *Washington Post*

[FTC warns data brokers on privacy rules](#), *Washington Post*

[Legislative package seeks to weaken derivatives provisions of Dodd-Frank law](#), *Washington Post*

[Gas industry accuses EPA of procedural rush](#), *The Hill*

[New SEC chief pushes dramatic budget increase to grow agency](#), *The Hill*

5/8/13

[Federal agency postpones all oil and gas lease auctions in California, citing budget problems](#), *Washington Post*

[Keep Wal-Mart Out of Some Financial Services, Bankers Ask](#), *Bloomberg*

Rulemaking

Department of Agriculture

APHIS Final Rule Requires Livestock Facilities to Maintain Certain Records for 5 Years

The Animal and Plant Health Inspection Service published a [final rule](#) amending existing rules “regarding the interstate movement of livestock to require approved livestock facilities and listed slaughtering and rendering establishments to maintain certain records for 5 years. Currently, approved livestock facilities are required to retain certain records for 2 years, and there are no record retention provisions that apply to listed slaughtering and rendering establishments. Requiring the retention of certain records for 5 years will allow us to trace the prior movements of diseased livestock further into the past than is currently possible, thus providing the opportunity to locate potentially infected or exposed livestock that might otherwise remain unidentified. We are also requiring the operators of slaughtering and rendering establishments to sign listing agreements to document their agreement to comply with the requirements of the regulations for listed slaughtering and rendering establishments. Such agreements are currently required for approved livestock facilities, but not for slaughtering and rendering facilities. This change will eliminate that inconsistency.”

Consumer Financial Protection Bureau

CFPB Establishes “Consumer Financial Civil Penalty Fund”, Seeks Comment

The Consumer Financial Protection Bureau published a [proposed](#) and [final rule](#) seeking comments on and establishing the Consumer Financial Civil Penalty Fund (Civil Penalty Fund), respectively. This fund is authorized by the Dodd-Frank Act, which requires the Bureau to “deposit any civil penalty it obtains against any person in any judicial or administrative action under Federal consumer financial laws. Under the Act, funds in the Civil Penalty Fund may be used for payments to the victims of activities for which civil penalties have been imposed under Federal consumer financial laws. In addition, to the extent that such victims cannot be located or such payments are otherwise not practicable, the Bureau may use funds in the Civil Penalty Fund for the purpose of consumer education and financial literacy programs. This rule implements the relevant statutory provisions by articulating the Bureau's interpretation of what kinds of payments to victims are appropriate and by establishing procedures for allocating funds for such payments to victims and for consumer education and financial literacy programs.” Although the final rule—which was published coterminously with the proposed rule—establishes the Civil Penalty Fund, the separate proposed rule solicits comments from the public on the final rule already approved by the Bureau. [Comments](#) on the proposed rule are due on July 8th.

Department of Commerce

NOAA Proposes Rule Prohibiting Shark Finning

The National Oceanic and Atmospheric Administration published a [proposed rule](#) implementing the portions of the Magnuson-Stevens Shark Conservation Act (SCA) prohibiting “any person from removing any of the fins of a shark at sea, possessing shark fins on board a fishing vessel unless they are naturally attached to the corresponding carcass, transferring or receiving fins from one vessel to another at sea unless the fins are naturally attached to the corresponding carcass, landing shark fins unless they are naturally attached to the corresponding carcass, or landing shark carcasses without their fins naturally attached... Neither the [Shark Finning Prohibition Act] nor the SCA



suggest that Congress intended to amend the Magnuson-Stevens Act to prohibit the possession or sale of shark fins. Rather, Congress chose to prohibit discarding shark carcasses at sea, and required that fins be naturally attached to the carcass of the corresponding shark. The SCA therefore reflects a balance between addressing the wasteful practice of shark finning and preserving opportunities to land and sell sharks harvested consistent with the Magnuson-Stevens Act. Although state shark fin laws are also intended to conserve sharks, they may not unduly interfere with the conservation and management of federal fisheries.” [Comments](#) are due on June 17th.

Department of the Treasury

IRS Proposes Rule on Defining Health Insurance Premium Tax Credit

The Internal Revenue Service published a [proposed rule](#) setting the health insurance premium tax credits pursuant to the Patient Protection and Affordable Care Act. “These proposed regulations affect individuals who enroll in qualified health plans through Affordable Insurance Exchanges (Exchanges) and claim the premium tax credit, and Exchanges that make qualified health plans available to individuals and employers. These proposed regulations also provide guidance on determining whether health coverage under an eligible employer-sponsored plan provides minimum value and affect employers that offer health coverage and their employees.” [Comments](#) are due on July 2nd.

Environmental Protection Agency

EPA Denies EarthJustice Petition to Regulate Air Emissions from Coal Mines

The Environmental Protection Agency published a [proposed rule](#) providing notice to the public that EPA is denying a petition submitted by EarthJustice requesting that EPA add coal mines to the Clean Air Act (CAA) section 111 list of stationary source categories, and regulate air emissions from coal mines accordingly. “The agency denied the petition because the EPA must prioritize its actions in light of limited resources and ongoing budget uncertainties, and at this time, cannot commit to conducting the process to determine whether coal mines should be added to the list of categories under CAA 111(b)(1)(A).”

Federal Communications Commission

FCC Final Rule Addresses Framework Issues for Expanding Broadband Availability

The Federal Communications Commission published a [final rule](#) addressing the Commission’s model platform for implementation of the Connect America Fund, which expands broadband availability to Americans living in rural areas with no access to broadband services. “This order focuses on the platform components of the cost-to-serve module. As detailed below, and consistent with the approach previously taken by the Commission in adopting its prior forward-looking model for universal service support, we adopt a model platform that will allow the Bureau to estimate the full average monthly cost of operating and maintaining an efficient, modern network. Specifically, the model will begin by estimating all capital and operating expenses associated with a modern network. Those variously-timed expenditures will be converted to an average monthly cost, as described below. Because providers’ support will be based on this average cost for five years, while many components of an actual network have much longer lives, using this average cost approach will not compensate providers for the full cost of a network within the five year Phase II timeframe. It will, however, estimate the cost of providing service in the way that best approximates the discipline of a competitive market.”

Department of Energy

DOE Proposes Amending Energy Efficiency Standards for Warm Air Furnaces

The Department of Energy published a [proposed rule](#) amending the energy conservation standards for commercial warm air furnaces. DOE is seeking comment from the public on “whether national standards more stringent than those that are currently in place would result in a significant amount of additional energy savings and whether such amended national standards would be technologically feasible and economically justified.” The current energy conservation standards for commercial warm air furnaces were last updated in 2012. [Comments](#) are due on June 3rd.



Agencies

Department of Commerce

NOAA Seeks Comment on Five Year Research and Development Plan

The National Oceanic and Atmospheric Administration published a [notice](#) announcing that NOAA is making its 113-page draft [Five Year Research and Development](#) plan available to the public for comments. “NOAA is the only federal agency with operational responsibility to protect and preserve ocean, coastal, and Great Lakes resources and to provide critical and accurate weather, climate, and ecological forecasts that support national safety and commerce. R&D at the Agency seek an understanding of global ecosystems to support informed decision making. R&D lead to improved understanding of the Earth system from global to local scales, improved ability to forecast weather, climate, and water resources, increased understanding of ecosystem health, and how all of these factors affect and are affected by people and communities. At NOAA, R&D are “use-inspired” – they not only increase our understanding of the world, but also produce applications that are useful and used.” [Comments](#) are due on June 3rd.

Environmental Protection Agency

EPA Seeks Comment on IRIS Draft Non Cancer Toxicological Review of Methanol

The Environmental Protection Agency published a [notice](#) announcing that EPA is making its draft toxicological review, *Toxicological Review of Methanol (Non-Cancer): In Support of Summary Information on the Integrated Risk Information System (IRIS)*, available for public comment. “EPA's IRIS is a human health assessment program that evaluates quantitative and qualitative risk information on effects that may result from exposure to chemical substances found in the environment. Through the IRIS Program, EPA provides the highest quality science-based human health assessments to support the Agency's regulatory activities. The IRIS database contains information for more than 540 chemical substances that can be used to support the first two steps (hazard identification and dose-response evaluation) of the risk assessment process. When supported by available data, IRIS provides oral reference doses (RfDs) and inhalation reference concentrations (RfCs) for chronic noncancer health effects and cancer assessments. Combined with specific exposure information, government and private entities use IRIS to help characterize public health risks of chemical substances and thereby support risk management decisions designed to protect public health.” [Comments](#) are due on June 17th.

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