

## Feature Story

## FDIC, OCC, Fed Publish Guidance on Stress Tests for Banks with Less Than \$50 Billion in Assets



The Federal Deposit Insurance Corporation, in conjunction with the Office of the Comptroller of the Currency and the Federal Reserve System, jointly published a [supervisory guidance document](#) implementing the company-run stress tests for banking organizations with total consolidated assets of more than \$10 billion but less than \$50 billion pursuant to the Dodd-Frank Act. This guidance addresses Dodd-Frank stress test rules, which FDIC emphasizes are important to complete to properly manage risk in forward-looking assessments of risk. These principles are applicable to “all bank and savings-and-loan holding companies, national banks, state-member banks, state non-member banks, Federal savings associations, and state chartered savings associations with more than \$10 billion but less than \$50 billion in total consolidated assets.” In October 2012, FDIC had promulgated a final rule implementing stress test requirements for companies over \$10 billion in total assets while indicating to publish future separate guidance for companies between \$10 billion and \$50 billion in assets.

## Opinion

- Can Larry Summers play nice with other financial regulators?
- Do you trust Larry Summers or Janet Yellen to police Wall Street?
- Can FDA Lawfully Overrule SCOTUS Generic Drug Preemption Decision Through Regulation?
- Too regulated to succeed: More rules for big banks would encourage risky practices
- SEC Door, Spinning Mightily, Smacks Investors
- The less-partisan choice for Fed chairman
- The Department of Energy Thinks You're Irrational
- Summers's Critics Distort His Regulatory Views
- The Real Choice at the Fed Isn't About Summers or Yellen
- Has Obama Forgotten the Danger of Loose Mortgage Lending?
- Washington's Regulatory Tidal Wave Threatens Ohio's Comeback
- Business president casts doubt over necessity of 'sheer volume' of regulation, cites increase costs
- The Power Behind the Throne at the Federal Reserve
- The Safety of Imported Foods
- Mr. Obama Moves on Chemical Plant Safety
- Sadly, Too Big to Fail Is Not Over
- Putting Capitalism Back Into Banking
- The Right Leader for the Fed

## In the News

## Congress &amp; Regulatory Reform

- [Senate panel to discuss 'regulatory paralysis'](#), *Washington Post*
- [Panel advances bill requiring more scrutiny of federal regs](#), *The Hill*
- [Bill giving Congress power over regulations draws veto threat](#), *The Hill*
- [Shuster says his bill would 'rein in EPA'](#), *The Tribune Democrat*
- [Cassidy bill would require Energy Department review for new EPA rules](#), *The Times-Picayune*
- [GOP bill: Add a new regulation, kill two existing regulations](#), *The Hill*
- [Seven Obama regulations to watch](#), *The Hill*
- [House votes to give Congress power over costly regulations](#), *The Hill*
- [Advocates bemoan 'regulatory paralysis'](#), *The Hill*
- [Business Roundtable Backs Regulation Transparency Bill](#), *Corporate Counsel*
- [House Republicans Scrutinize Former Consumer Regulator](#), *Wall Street Journal*

## Energy &amp; Environment

- [GOP lawmakers ask for study on increased 'social cost' of carbon](#), *The Hill*
- [EPA asks judge to reject W.Va. chicken farmer's lawsuit; environmental groups do same](#), *Washington Post*
- [Lawmakers vote to thwart EPA move on 'social cost of carbon'](#), *The Hill*
- [Oil industry huddled with administration to protest renewable fuel standard](#), *The Hill*
- [EPA relaxes deadline for gas storage tank standards](#), *The Hill*
- [Coal at Risk as Global Lenders Drop Financing on Climate](#), *Bloomberg*
- [Rep. Dingell to Obama: Clean Air Act isn't right for greenhouse gas rules](#), *The Hill*
- [Almost eight months late, EPA sets 2013 biofuel blend requirement](#), *The Hill*



## Marketplace of Ideas

### American Action Forum

- The Week in Regulation: July 29 to August 2, *Sam Batkins*
- Retrospective Review Update: Trucking Safety Reports, *Dan Goldbeck*
- TESTIMONY: Justice Delayed: The Human Cost of Regulatory Paralysis, *Sam Batkins*

### American Enterprise Institute

- Who can deny it? Obamacare is accelerating U.S. towards a part-time nation, *Christopher Conover*

### Center for Effective Government

- House Votes to Ban EPA from Considering Benefits of Climate, Energy Rules, *Sam Abbott*
- New Gluten-Free Standards Highlight Triumphs and Challenges at the FDA, *Sam Abbott*

### Center for Progressive Reform

- Senate Hearing to Bring Some Sanity to the Debate Over Federal Regulatory Policy, *James Goodwin*
- TESTIMONY: Justice Delayed: The Human Cost of Regulatory Paralysis, *Rena Steinzor*
- President Obama's Executive Order on Chemical Facility Safety Is a Step in the Right Direction, *Thomas McGarity*
- Pushing back against anti-regulatory forces, safety and environmental protections long overdue, *Erin Kesler*

### Competitive Enterprise Institute

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

### Federal Regulations Advisor

- Monday Morning Regulatory Review – 8/5/13, *Leland Beck*

### The George Washington University Regulatory Studies Center

- Public Interest Comment to the Office of Management and Budget on its Presentation of Department of Health of Human Services Regulations, *Don King*
- What are Regulatory Proxies Measuring?, *Terry Pack & Susan E. Dudley*
- EVENT: Retrospective Review of Risk-Based Regulations, September 27<sup>th</sup> 8:00am – 3:30pm

### Government Accountability Office

- INTERNATIONAL REGULATORY COOPERATION: Agency Efforts Could Benefit from Increased Collaboration and Interagency Guidance, *Michelle Sager*

[US refiners, plagued by RINsanity, see "half step" on biofuels](#), *Reuters*  
[EPA Revisits Ethanol Mandate as Fuel Use Slips](#), *Wall Street Journal*  
[Runaway Train in Quebec Sparks New U.S. Rail-Safety Rules](#), *Wall Street Journal*

### Financial Markets

[Federal Reserve policymaking group has power over economy through control of interest rates](#), *Washington Post*  
[Fed's Raskin is chosen for deputy Treasury secretary](#), *Washington Post*  
[Republicans question firm filled with former CFPB officials](#), *The Hill*  
[Regulators seize bank in Florida; brings this year's US bank failures to 17](#), *Washington Post*  
[SEC revokes stock of shuttered Bank of the Commonwealth's parent](#), *Washington Post*  
[A court ruled swipe fees are still too high. But they're probably going away anyway.](#), *Washington Post*  
[Is Larry Summers Too Blunt in Style and Regulation?](#), *Bloomberg TV*  
[SEC's Money-Fund Rule Boosted by Economic Study, Paredes Says](#), *Bloomberg*  
[Swipe-Fee Rule Rejection to Help Merchants at Banks' Cost](#), *Bloomberg*  
[Banks Stand to Lose Billions as Court Slams Fed Swipe-Fee Rule](#), *Bloomberg*  
[SEC Adopts Madoff-Inspired Rules to Protect Broker-Held Assets](#), *Bloomberg*  
[Dodd-Frank Stands as Judge Rejects Suit by States](#), *Bank, Bloomberg*  
[CME Must Improve Surveillance of Derivatives Trades, CFTC Says](#), *Bloomberg*  
[SEC Gets 'Shot in the Arm' With Victory in Toure Case](#), *Bloomberg*  
[Obama to Nominate Raskin as First Female U.S. Treasury Deputy](#), *Bloomberg*  
[CFTC Delays GFI's Proposal to Create Derivatives Exchange](#), *Bloomberg*  
[Fed Should Reverse Commodity Policy, CFTC's Chilton Says](#), *Bloomberg*  
[Leverage for Banks Seen Impeded by Fed Rules on Basel III: Taxes](#), *Bloomberg*  
[Mortgage Debt Rejected by Banks Facing New Rules: Credit Markets](#), *Bloomberg*  
[U.S. sues Bank of America over sale of \\$850 million in mortgage-backed securities](#), *Washington Post*  
[Obama's housing plan would streamline mortgage regulations](#), *The Hill*  
[Obama's former regs czar backs Larry Summers for Fed chairmanship](#), *The Hill*  
[Sifma's Gregg on Next Fed Chairman, Bank Rules](#), *Bloomberg TV*  
[Some Wall Street players unfit for U.S. power market -regulator](#), *Reuters*  
[BofA Sued by U.S. Over Mortgage Securities](#), *Wall Street Journal*  
[Exchanges Protest New Rules on System Breakdowns](#), *Wall Street Journal*  
[SEC Loosens Reg D Rules But PE and VC Firms Remain Cautious](#), *Wall Street Journal*  
[CFTC Starts to Approve Bids for Swaps-Trading Platforms](#), *Wall Street Journal*

### Health & Safety

[In response to Texas explosion, Obama orders federal agencies to review chemical plant rules](#), *Washington Post*  
[Obama orders review of US chemical plants](#), *The Hill*  
[After years of delay, FDA defining what "gluten free" means on packaged food](#), *Washington Post*



## Heritage Foundation

▪ Another Flawed Executive Order: Chemical Security and Government Overreach, *Jessica Zuckerman*

## The Mercatus Center

▪ On the Human Costs of the US Regulatory System: Should Congress Pressure Agencies to Make Rules Faster?, *Patrick McLaughlin*

▪ Effluent Limitations Guidelines and Standards for the Steam Electric Power Generating Point Source Category, *Antony Dnes*

▪ Endangered Fish and Wildlife; Proposed Rule to Eliminate the Expiration Date Contained in the Final Rule to Reduce the Threat of Ship Collisions with North Atlantic Right Whales, *Todd Nesbit*

▪ On the Human Costs of the US Regulatory System: Should Congress Pressure Agencies to Make Rules Faster?, *Patrick McLaughlin*

## Penn Program on Regulation

▪ EPA Upgrades its Energy Star Portfolio Manager, *Kara Cheever*

## Small Business for Sensible Regulations

▪ Comments on Federal Regulations and Unfunded Mandates, *Susan Eckerly*

[FDA imposes rules for 'gluten-free' labeling](#), *Los Angeles Times*

[FDA sets standard for 'gluten-free' label](#), *The Hill*

[Obama Order Seen Favoring Rules Chemical Industry Opposes](#), *Bloomberg*

[Obama Orders Tighter Rules on Fertilizer Plants](#), *Bloomberg*

[Obama orders review of chemical plant rules](#), *Politico*

[Relief trumps complaints from Hill GOP on ACA fix](#), *Politico*

[FDA issues new rules for labeling 'gluten-free' foods](#), *Reuters*

[Congress Keeps Its U.S. Contribution Toward Health Care](#), *Wall Street Journal*

## Business

[Administration shreds paperwork mandate for drivers of big rigs](#), *The Hill*

[Justice Department proposes sweeping punishments against Apple](#), *Washington Post*

[U.S. Scraps \\$1.7 Billion Trucking Paperwork Requirement](#), *Bloomberg*

[Trucking Industry Loses Challenge to U.S. Drive-Time Rule](#), *Bloomberg*

[Court ruling on trucking regs roils safety advocates](#), *The Hill*

[CBS blackout prompts calls for regulatory changes](#), *The Hill*

[U.S. sets rules to prevent type of rail crash that hit Quebec town](#), *Reuters*

[Business president casts doubt over necessity of 'sheer volume' of regulation, cites increase costs](#), *MLive*

[DOT proposes to reduce trucking paperwork](#), *USA Today*

## Rulemaking

### Food and Drug Administration

#### FDA Finalizes Rule Defining “Gluten-Free” Labeling Requirements

The Food and Drug Administration published a [final rule](#) to define the term “gluten-free” for food labeling. A “gluten-free” food is defined as a food that “does not contain an ingredient that is a gluten-containing grain, an ingredient that is derived from a gluten-containing grain that has not been processed to remove gluten, or an ingredient that is derived from a gluten-containing grain that has been processed to remove gluten” if there remains 20 parts per million (ppm) of gluten in the food. Foods that do not inherently contain any gluten can be labeled as “gluten-free.” A study that found that 5% of the currently labeled “gluten-free” products would not fit this definition of “gluten-free,” causing 19,000 individuals diagnosed with celiac disease to consume a harmful 50 mg or more of gluten daily. FDA has estimated that this more stringent term of “gluten-free” would be worth \$110 million in benefits per years from increased health. The combined costs of relabeling foods and testing foods would be approximately \$6.8 million, leading to a net benefit of \$103 million.

### National Credit Union Administration

#### NCUA Proposes Rule Requiring Federally-Insured Credit Unions to File Financial Reports Electronically

The National Credit Union Administration published a [proposed rule](#) that would require all federally-insured credit unions (FICUs) to file financial reports and credit union profiles electronically. Previously, FICUs were only required to submit this information if they had “the capacity to do so.” The National Credit Union Administration (NCUA) is seeking to reduce operating costs and promote environmentally responsible practices by switching from the option to manually file this information to requiring electronic transmission. In addition, the electronic filing would enhance efficiency and security by providing real-time warnings throughout the input process to ensure data integrity. As of March 31, 2013, only 59 FICUs out of 6753 had filed manually, so the NCUA believes the associated cost is minimal from the relatively few FICUs affected. [Comments](#) are due September 3<sup>rd</sup>.



## Occupational Safety and Health Administration

### OSHA Finalizes Rule Requiring Agencies to Submit Occupational Injury & Illness Records to BLS Annually

The Occupational Safety and Health Administration issued a [final rule](#) requiring federal agencies to submit their occupational injury and illness recordkeeping information to the Bureau of Labor Statistics (BLS) and OSHA on an annual basis. This data will help the BLS to aggregate injury and illness information for the federal government and OSHA to determine effectiveness in safety and health training for federal employees. Federal agencies are already required to maintain this data; therefore, this rule only adds an information submittal requirement. This rule is different from the private sector collection effort as it requires the submission of all injury and illness data, compared to the statistical sample collected on the private sector. In addition, private sector information is not submitted to OSHA as it is conducted “solely for statistical purposes.”

## Department of Energy

### DOE Proposes Updates to Existing Regulations on Assistance to Foreign Atomic Energy Activities

The Department of Energy issued a [supplemental notice](#) of proposed rulemaking (NOPR) concerning updates to regulations on the Assistance to Foreign Atomic Energy Activities. This set of regulations has not been comprehensively updated since 1986. Since then, the global civil nuclear market has expanded in areas of the world such as China and the Middle East. DOE previously issued an NOPR on the subject to call for comments on efforts to update regulations to be “consistent with current global civil nuclear trade practices and nonproliferation norms, and to update the activities and technologies subject to the Secretary of Energy's specific authorization and DOE reporting requirements.” In this supplemental NOPR, DOE responds to the many concerns regarding updating regulations and gives the public a second chance to voice an opinion on the subject matter. [Comments](#) are due by October 31<sup>st</sup>.

## Department of Agriculture

### APHIS Receives Petition to Limit Contact Between Humans and Licensed Big Cats, Bears, and Primates

The Animal and Plant Health Inspection Service published [notice](#) of a petition that would amend the Animal Welfare Act regulations to prohibit licensees from allowing other persons from coming into direct physical contact with any big cats, bears, and nonhuman primates of any age and ban the separation of these animals from their dams before the “the species-typical age of weaning absent medical necessity.” The petitioners contend that the current regulations place these animals at risk of harm, threaten public safety, undermine conservation efforts, and encourage irresponsible breeding.” APHIS is seeking submission of scientific data, studies, or research that either supports the current standards or the proposed amendments to current regulations. [Comments](#) are due October 4<sup>th</sup>.

## Environmental Protection Agency

### EPA Finalizes National Ambient Air Quality Standards for SO<sub>2</sub>

The Environmental Protection Agency finalized a [rule](#) establishing air quality designations for certain areas in the United States for the 2010 National Ambient Air Quality Standard (NAAQS) for SO<sub>2</sub>. This rule designates locations where monitoring data from 2009 – 2011 indicate violations of the 1-hour SO<sub>2</sub> standard as nonattainment. These areas are given certain planning and pollution control activities by EPA so that they can meet requirements of the NAAQS in a timely manner. EPA has promulgated SO<sub>2</sub> standards as these particles can “penetrate deeply into sensitive parts of the lungs and can cause or worsen respiratory disease, such as emphysema and bronchitis, and can aggravate existing heart disease, leading to increased hospital admissions and premature death.”

## Agencies

### Food and Drug Administration

#### FDA Announces Retrospective Review of Pre-2010 Guidance Documents

The Food and Drug Administration [announced](#) the launch of a retrospective review initiative in the Center for Drug Evaluation and Research (CDER). This retrospective review process will involve examining draft guidance documents issued before 2010 to decide whether they should be withdrawn, revised, or finalized with only minor changes. As of the publication of this notice, CDER has identified 23 guidance documents for withdrawal, stating that they are out of date and of little use to the pharmaceutical industry. Topics covered by the withdrawal include development of antimicrobial drugs, approval of abbreviated new drug applications, and others. In addition to the



withdrawal of certain guidance documents, CDER has identified ones to be revised or finalized in areas including biopharmaceuticals and OTC products. FDA is seeking comments on this announcement.

## **Environmental Protection Agency**

### **EPA Seeks Comment on Disposal of Coal Combustion Residuals from Electric Utilities**

The Environmental Protection Agency is [seeking comments](#) and additional data related to the Agency's 2010 [proposed rule](#), *Hazardous and Solid Waste Management System: Identification and Listing of Special Wastes; Disposal of Coal Combustion Residuals From Electric Utilities*. "This information is categorized as: additional data to supplement the Regulatory Impact Analysis and risk assessment, information on large scale fill, and data on the surface impoundment structural integrity assessments. EPA is also seeking comment on two issues associated with the requirements for coal combustion residual management units. The Agency is not reopening any other aspect of the proposal or underlying support documents, and will consider comments on any issues other than those raised in the NODA to be late comments and not part of the rulemaking record." [Comments](#) are due on September 3<sup>rd</sup>.

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