

Feature Story

**CFTC Publishes Concept Release for Potential Regulation of High-Speed Trading**

The Commodity Futures Trading Commission published a [concept release](#) on *Risk Controls and System Safeguards for Automated Trading Environments* to address potential risks introduced by high-frequency trading (HFT), which is conducted through automated trades. This concept release is meant to serve “as a high-level enunciation of potential measures intended to reduce the likelihood of market disrupting events [resulting from HFT] and mitigate their impact when they occur.” The risk controls introduced in this concept release target automated trades, which have resulted in “flash crashes” resulting from lapses in high-frequency trading algorithms. “The operational centers of modern markets now reside in a combination of automated trading systems (“ATSS”) and electronic trading platforms that can execute repetitive tasks at speeds orders of magnitude greater than any human equivalent. Traditional risk controls and safeguards that relied on human judgment and speeds, and which were appropriate to manual and/or floor-based trading environments, must be reevaluated in light of new market structures. Further, the Commission and market participants must ensure that regulatory standards and internal controls are calibrated to match both current and foreseeable market technologies and risks.” [Comments](#) are due on December 11th.

Opinion

- NSA, other government agencies should be more transparent
- Toxics Control Bill Will Handcuff EPA
- 2008's Regulatory 'Solutions' May Author the Next Crisis
- Obama To Address Economy And "The Financial Crisis Five Years Later"
- Janet Yellen for Fed Chairman
- How to Deter Misbehavior by Bankers
- A Victory in the Battle To Make Banks Boring
- Don't Believe the Coal Industry's Warnings
- Fed up with Wall Street, Democrats look to the left
- Janet Yellen backed the repeal of Glass-Steagall in 1997. That's not such a big deal.

Marketplace of Ideas

American Action Forum

- Week in Regulation, *Sam Batkins*
- Fox San Antonio on AAF's Regulatory Budget

Center for Progressive Reform

- Federal Court Upholds Bay TMDL, Freeing EPA and the States to Focus on Enforcement, *Anne Havemann*

In the News

Congress & Regulatory Reform

- [CBO: Reg reform bill would cost \\$45 million](#), *The Hill*
- [Obama looks to fill fall scorecard with regulations, going small-bore](#), *The Hill*
- [Industry groups rally for regulation reform bill](#), *The Hill*

Energy & Environment

- [EPA Plan to Curb New Coal-Fired Power Plants](#), *Wall Street Journal*
- [States accuse EPA of exceeding its authority with climate change plan](#), *The Hill*
- [Biz groups, GOP attack 'social cost of carbon' on multiple fronts](#), *The Hill*
- [EPA's proposed new regulations could keep coal industry reeling](#), *Pittsburgh Tribune-Review*
- [GOP energy bill amendment would block EPA carbon regulations](#), *The Hill*
- [Utilities fret about 'unrealistic' emissions rules](#), *The Hill*
- [Coal Industry Cries Foul Over Obama Emission Rules](#), *Bloomberg*
- [It's Manchin v. Markey on EPA Coal Rules](#), *Wall Street Journal*
- [US judge upholds EPA's Chesapeake Bay cleanup plan, rejects farm industry challenges](#), *Washington Post*
- [New US limits on emissions from coal-fired plants has W.Va. coal industry on edge](#), *Washington Post*
- [Study finds limited greenhouse gas emissions from fracking](#), *The Hill*
- [Colorado Clean-Energy Plan Looms as Issue for FERC Pick](#), *Bloomberg*
- [Republican rips administration for no-shows at climate change hearing](#), *The Hill*
- [Dems push climate controls to combat extreme weather](#), *The Hill*
- [EPA looks to clarify regulations on streams](#), *The Hill*
- [EPA Restarts Stalled Drive to Improve Water Protection](#), *Bloomberg*



Competitive Enterprise Institute

- CEI's Battered Business Bureau: The Week in Regulation, *Ryan Young*
- FERC Nominee Ron Binz's Colorado Record Should Serve as Warning

Federal Regulations Advisor

- Monday Morning Regulatory Review – 9/16/13, *Leland Beck*

Federalist Society

- Is it Possible To Sell Affordable Care Act Health Insurance To Young, Healthy People?, *Francis Menton*
- Obama wants new banking rules in place by year's end

Free State Foundation

- Proposals Like the AT&T/Leap Merger Promise Consumer Benefits, *Seth Cooper*

The George Washington University Regulatory Studies Center

- Social Media in Rulemaking Workshop, *Susan E. Dudley*

Government Accountability Office

- EPA Has Made Substantial Progress but Could Improve Processes for Considering Children's Health, *David Trimble*
- Improved Incident Data and Regulatory Analysis Would Better Inform Decisions about Safety Risks, *Susan Fleming*

Heritage Foundation

- Why DOE Is Wasting \$45 Million of Your Money, *Nicolas Loris*

The Mercatus Center

- Energy Conservation Standards for Standby Mode and Off Mode for Microwave Ovens; Petition for Reconsideration, *James Broughel*
- TESTIMONY: The Federal Reserve and the Rule of Law, *Lawrence H. White*
- Public Interest Comment: Money Market Fund Reform; Amendments to Form PF, *Hester Peirce & Robert Greene*
- Benefits of Detailed Regulatory Impact Analysis Outweigh the Costs, *Patrick McLaughlin & Keith Hall*

Penn Program on Regulation

- The Regulatory Week in Review: September 13, 2013, *RegBlog Staff*
- Costs, Benefits, and the Non-Political Nature of OIRA Review, *Cass R. Sunstein*
- OIRA and the Public, *Cass R. Sunstein*
- The Future of E-Cigarette Regulation, *Lauren-Kelly Devine*

[Obama Pick to Head FERC Draws Rebuke From Republican Senator](#), *Bloomberg*

Financial Markets & Housing

[Larry Summers withdraws name from Fed consideration](#), *Washington Post*
[Five reasons Obama should name Janet Yellen to chair the Federal Reserve](#), *Washington Post*

[Consumer watchdog completes work on sweeping mortgage rules](#), *The Hill*
[Regulators Ask Financial Markets to Improve Technology](#), *New York Times*
[Issa: SEC not playing by own data technology rules](#), *The Hill*

[House GOP renews attacks on 'unbridled' consumer bureau](#), *The Hill*
[In Washington, entrepreneurs and investors bracing for changes to SEC financing rules](#), *Washington Post*

[Regulators shutter banks in Texas and Connecticut; 22 US bank failures so far in 2013](#), *Washington Post*
[Federal Reserve bank leaders warns SEC on money-market plan](#), *Washington Post*

[More than 350 economists sign letter to Obama supporting Yellen for Fed chair](#), *Washington Post*

[After Nasdaq disruption, regulators are urged to rethink decades-old technology](#), *Washington Post*

[Regulators to charge JPMorgan Chase \\$750 million in London Whale cases](#), *Washington Post*

[How Don Kohn, possible Fed chair, is thinking about financial regulation](#), *Washington Post*

[Community banks want more changes to mortgage rules](#), *The Hill*
[Obama wants new banking rules in place by year's end](#), *The Hill*

[Cordray Says Lenders Ready for Compliance With Mortgage Rule](#), *Bloomberg*

[Clarus Proposes Alternative to Swaps Rate Regulators Are Probing](#), *Bloomberg*

[SEC Orders Exchanges to Collaborate on Bolstering Markets](#), *Bloomberg*
[Warren Criticizes U.S. Treasury Over Too-Big-to-Fail Research](#), *Bloomberg*

[Yellen Said to Top Obama's Fed List After Summers's Exit](#), *Bloomberg*
[Fed's Dudley Sees Risk Derivatives Regulators Fall Short](#), *Bloomberg*

[SEC to unveil pay-ratio proposal](#), *Washington Post*

[How the Bank Lobby Loosened U.S. Reins on Derivatives](#), *Bloomberg*
[Dimon Tells JPMorgan to Brace for More Regulatory Woes](#), *Bloomberg*

[U.S. Insurance Regulators Oppose Federal Oversight](#), *Bloomberg*
[CEO-to-Worker Pay Ratio Disclosure Proposal to Be Issued by SEC](#), *Bloomberg*

[Money-Fund Rule Fight Goes to U.S. House as Providers Lobby Anew](#), *Bloomberg*

Health & Safety

[House bill gives FDA new power over compound pharmacies](#), *The Hill*
[Gillibrand bill seeks to bolster meat safety](#), *The Hill*

[House chairman tells businesses to weigh in on silica rule](#), *The Hill*
[Key milestones—and potholes—in President Barack Obama's health care overhaul law](#), *Washington Post*

Technology

[Here's how the telecom industry plans to defang their regulators](#), *Washington Post*

[Obama administration urges FCC to require carriers to unlock mobile devices](#), *Washington Post*

[Agencies eye Twitter for help writing regulations](#), *The Hill*



Rulemaking

Federal Deposit Insurance Corporation

FDIC Finalizes Revisions to Deposit Insurance Rules for Deposits in Foreign Branches of Insured Institutions

The Federal Deposit Insurance Corporation published a [final rule](#) amending its deposit insurance regulations regarding deposits in foreign branches of U.S. insured depository institutions. “The Final Rule clarifies that deposits in branches of U.S. banks located outside the United States are not FDIC-insured deposits. This would be the case even if they are also payable at an office within the United States (“dual payability”). As discussed further below, a pending proposal by the United Kingdom's Prudential Regulation Authority (“U.K. PRA”), formerly known as the Financial Services Authority, has made it more likely that large U.S. banks will change their U.K. foreign branch deposit agreements to make their U.K. deposits payable both in the United Kingdom and the United States. This action has the potential to expose the Deposit Insurance Fund (“DIF”) to expanded deposit insurance liability and create operational complexities if these types of deposits were treated as insured. The purpose of the Final Rule is to protect the DIF against the liability that it would otherwise face as a potential global deposit insurer, preserve confidence in the FDIC deposit insurance system, and ensure that the FDIC can effectively carry out its critical deposit insurance functions.”

Nuclear Regulatory Commission

NRC Proposes Revisions to Environmental Impact Determinations for Storage of Spent Nuclear Fuel

The Nuclear Regulatory Commission published a [proposed rule](#) that would amend the Commission's generic determination on the environmental impacts of the continued storage of spent nuclear fuel beyond a reactor's licensed life for operation and prior to ultimate disposal. “The Commission proposes to conclude that the analysis generically addresses the environmental impacts of continued storage of spent nuclear fuel beyond the licensed life for operation of a reactor and supports the determinations that it is feasible to safely store spent nuclear fuel beyond the licensed life for operation of a reactor and to have a mined geologic repository within 60 years following the licensed life for operation of a reactor. The proposed rule also would clarify that the generic determination applies to a license renewal for an independent spent fuel storage installation (ISFSI). In addition, the proposed rule would make conforming amendments to the Commission's 2013 findings on the environmental effects of renewing the operating license of a nuclear power plant to address issues related to the storage of spent nuclear fuel after a reactor's licensed life for operation and the offsite radiological impacts of spent nuclear fuel and high-level waste disposal.” [Comments](#) are due on November 27th.

NRC Seeks Comment on Draft Waste Confidence Generic Environmental Impact Statement

The Nuclear Regulatory Commission is [seeking comment](#) on the draft generic environmental impact statement (DGEIS), *Waste Confidence Generic Environmental Impact Statement*, that “forms the regulatory basis for the proposed amendments to the NRC's regulations pertaining to the environmental impacts of the continued storage of spent nuclear fuel beyond a reactor's licensed life for operation and prior to ultimate disposal (proposed Waste Confidence rule)... The objective of the Waste Confidence DGEIS is to examine the potential environmental impacts that could occur as a result of the continued storage of spent nuclear fuel at at-reactor and away-from-reactor sites until a repository is available. For the resource areas considered, the DGEIS provides generic impact determinations that would be applicable to a wide range of existing and potential future spent fuel storage sites. While some site-specific information is used in developing the generic impact determinations, the Waste Confidence DGEIS does not replace the NEPA analysis associated with any individual site licensing action.” [Comments](#) are due on November 27th.

Department of Agriculture

APHIS Finalizes Rule Targeting Online Pet Retailers

The Animal and Plant Health Inspection Service published a [final rule](#) revising the definition of “retail pet store” for official licensing purposes, effectively excluding most online pet dealers from the pet retail market. The proposed definition of “retail pet store” would be limited to “a place of business or residence at which the seller, buyer, and the animal available for sale are physically present so that every buyer may personally observe the animal prior to purchasing and/or taking custody of that animal after purchase, and where only certain animals are sold or offered for sale, at retail, for use as pets.” Places officially labeled “retail pet stores” are not required to be licensed or inspected under the Animal Welfare Act (AWA); excluding online pet retailers from this definition subjects those entities to AWA inspection and licensing. In its 2012 proposed rule, APHIS argued that this



regulation is necessary “to ensure that animals sold at retail are monitored for their health and humane treatment and to concentrate our regulatory efforts on those facilities that present the greatest risk of noncompliance with the regulations.”

Agencies

Department of Health and Human Services

HHS Seeks Comment on HHS Rules for Retrospective Review to Promote Economic Growth

The Department of Health and Human Services is [seeking comment](#) from the public on which existing HHS rules the Department should consider for retrospective review. “HHS now seeks suggestions from the public regarding new ideas for our next phase of retrospective review. We welcome your suggestions regarding rules, or types of rules, that the Department should consider reviewing to: Promote economic growth, innovation, competitiveness, and job creation; Reduce regulatory and administration burdens; Achieve better results by modifying, streamlining, expanding, or eliminating rules when the costs or benefits are greater than originally anticipated; Eliminate rules that are outdated, overtaken by new technology or information, or unnecessary for other reasons; or Update rules to complement other federal agency rules or international standards where crosscutting collaboration can reduce administration or regulatory burdens.” [Comments](#) are due on October 15th.

Department of Agriculture

Forest Service Proposes Ecological Restoration Policy for National Forest System Lands

The Department of Agriculture’s Forest Service published a [notice](#) announcing the Forest Service’s proposed Ecological Restoration Policy for National Forest System Lands. “The proposed directive would provide broad direction for restoring National Forest System lands and associated resources to achieve sustainable management and ecological integrity. This policy would recognize the adaptive capacity of ecosystems, the role of natural disturbances, and uncertainty related to climate and other environmental change... The proposed directive applies to all National Forest System’s resource management programs. For example, this directive would apply when there is an objective to restore watershed condition and function, control invasive species, re-create natural stream channel complexity, improve or reestablish habitat for threatened and endangered species, and restore natural fire regimes. The Forest Service has a multiple-use mission and not all management activities on national forests and grasslands require a restoration objective. The Agency will continue to support management activities such as energy development, recreation use, grazing and timber production conducted in an ecologically sustainable manner to avoid the need for ecological restoration in the future.” [Comments](#) are due on November 12th.

Food and Drug Administration

FDA Extends Comment Deadline for Draft Guidance Limiting Allowable Arsenic Content in Apple Juice

The Food and Drug Administration is [extending](#) the comment period for its [draft guidance](#) for industry on the acceptable threshold levels of arsenic in apple juice, along with supporting documents and a risk assessment. “The draft guidance identifies an action level for inorganic arsenic in apple juice of 10 micrograms/kilogram (µg/kg) or 10 parts per billion (ppb), and identifies FDA’s intended sampling and enforcement approach. The draft supporting document reviews data on arsenic levels, health effects, and achievability, and explains FDA’s rationale for identifying an action level for inorganic arsenic in apple juice of 10 µg/kg. The risk assessment document provides estimates of arsenic exposure and risk to humans at different hypothetical limits for inorganic arsenic in apple juice.” [Comments](#) on the draft guidance are now due on November 12th.

Export-Import Bank

Ex-Im Bank Receives Application for \$100+ Million to Fund Boeing Exports to China

The Export-Import Bank published a [notice](#) announcing the receipt of an application for a long-term loan or financial guarantee in excess of \$100 million to fund the export of commercial Boeing aircraft to China. These exports would be used to “provide airline service in China and between China and various regional and international destinations.” [Comments](#) are due on October 7th.

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