



**The Daily Dish**

## October 7th Edition

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While some may be calling for a change to the crude oil export rules that are still stuck in a time when bell-bottoms were fashionable, the Department of Energy's head is [hesitant to change](#). Recently crude condensate has been approved for export in specific cases, but Secretary Moniz is quick to say, "There has been no policy change." Here's AAF's explanation on a [better way on crude exports](#).

The Department of Veterans Affairs has [fired four senior executives](#) as a result of the scandal that caused massive delays for veterans seeking health care. Three of those fired ran hospitals or hospital systems that falsified lists to appear more efficient while veterans were not receiving care. Cleaning house in the department may be necessary, but veterans will [continue to face issues](#) with high paperwork burdens in a system that can be difficult to navigate.

### ***Eakinomics: Financial Regulation***

Yesterday saw two developments on the financial regulation front. The Financial Stability Oversight Council (FSOC) — a creation of the Dodd-Frank Act intended to monitor and control system-wide financial risks — met. The closed meeting covered three important topics. The first is "areas of focus and potential risks" in the asset management industry according to the Treasury Department.

According to a written description of the meeting, FSOC discussed "processes for seeking input and evaluating information" related to asset managers and heard an update from the SEC on "asset manager risk management policy initiatives." FSOC has the power to designate institutions as systemically important financial institutions (SIFIs). Doing so for asset managers would be a [costly](#) step in the [wrong direction](#). In addition, the FSOC evidently heard that MetLife plans to appeal its designation as a SIFI, a move that has tremendous [merit](#). Finally, and ironically, the FSOC used a closed meeting to discuss ways to make the process more transparent! Any move in that direction would be valuable and an improvement.

President Obama took the occasion of the FSOC meeting to [praise](#) a group of financial regulators for their implementation of the Dodd-Frank law, which has imposed roughly \$24 billion in [compliance costs](#) and 64 million hours of paperwork burden. Much of this, e.g., the Volcker Rule to prohibit proprietary trading with clients' funds, were costly ventures that had nothing to do with the underlying causes of the financial crisis. Nevertheless, the president implored them to impose even more regulations to prevent "excessive" risk-taking and to control executive compensation.

### ***From the Forum***

[Primer: Interstate Sale of Health Insurance](#) by Brittany La Couture, AAF Health Care Policy Analyst

[Advice for FSOC: Examine Consumer Impact Before Regulating](#) by Satya Thallam, AAF Director of Financial Services Policy