
This course provides a comprehensive overview of the implementation of the Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-Frank Act). Topics addressed will include: an overview of U.S. financial markets generally, with emphasis on legal and policy issues underlying regulation of derivatives, banking, and systemic risk; legislative and administrative initiatives pre- and post- Dodd Frank legislation; genesis and policy development of the Dodd-Frank legislation; overview of fundamental aspects of financial reform in Dodd-Frank; relevant agencies involved in implementation of Dodd-Frank; agency rulemaking process, including a team class project on Administrative Procedure Act notice and comment rulemaking; review of derivatives, securities and banking reforms.

Course Materials:

- Text: Regulating Wall Street, Acharya, Cooley, Richardson, Walter
- Text: Financial Crisis Inquiry Report (No need to purchase the whole report as we will only use certain portions of the report which are available for free online; URLs provided below and uploaded onto Canvas)
- Publicly available government reports (URLs provided below and/or documents uploaded onto Canvas)
- In-class handouts
- Handouts posted on Canvas

January 25, 2016
Class 1: Overview of U.S. Financial Markets; Fundamental of Finance; Overview of Genesis of Financial Market Regulatory Reform Legislation; Regulatory Approaches

Reading/Source Materials:

- Regulating Wall Street, pp. 1-50.

February 1, 2016
Class 2: Overview of the 2008 Financial Crisis I: Pre-Dodd-Frank Regulatory Responses to Financial Crises; History of 2008 Financial Crisis; Role of Central Banks in Financial Market Regulation.

Reading/Source Materials:

- Financial Crisis Inquiry Report (www.tinyurl.com/financialcrisisinquiryreport), pp. 280-308 (Fall of Bear Stearns; Financial Panic)
February 8, 2016
Class 3:  *Overview of the 2008 Financial Crisis II*: Major areas of reform and concomitant rulemakings; Roundtable on causes of 2008 Financial Crisis.

Reading/Source Materials:

- Financial Crisis Inquiry Report ([www.tinyurl.com/financialcrisisinquiryreport](http://www.tinyurl.com/financialcrisisinquiryreport)), pp. 413-439 (dissenting opinion)
- Congressional Research Service Report on Causes of the Financial Crisis (available on Canvas)

February 18, 2016 *(Class meets on Thursday rather than Monday)*
Class 4: *Federal Agency Rulemaking and the Administrative Procedure Act*: The process of federal agency rulemaking and role the public plays in the rulemaking process. Overview of the Administrative Procedure Act. Assignment and discussion of comment letter team project and how to draft a compelling comment letter (*see* below for details of the team project).

Reading/Source Materials:

- Handouts: Samples of comment letters (available on Canvas)
- Administrative Procedure Act (available on Canvas)

February 22, 2016
Class 5: Systemic Risk; Prudential Regulation; Systemically Important Institutions; Financial Stability Oversight Council; Challenges to SIFI designation

Reading/Source Materials:

- *Regulating Wall Street*, pp. 87-106
- In-Class Handout
February 29, 2016

Class 6: Derivative Market Fundamentals I: Derivatives Overview; Financial Derivative Products; Swaps; Margin; Clearing

Reading/Source Materials:

- Regulating Wall Street, pp. 367-402
- In-class handouts
- Final drafts of comment letter project due on Friday, March 4, 2016 by 10 p.m. All letters will be posted onto Canvas to allow students to review them prior to Class 7.

March 14, 2016

Class 7: Part one: Comment letter team presentations and debate on the merits. 
Part two: Derivative Market Fundamentals II: Derivatives Overview; Financial Derivative Products; Swaps; Margin; Clearing

Reading/Source Materials:

- Regulating Wall Street, pp. 402-425
- In-class handouts

March 21, 2016

Class 8: Derivative Market Reform I: Overview of Pre-Dodd Frank Regulation of Derivatives; Judicial Rulings; Section 4(c) exemptive authority; the CFTC Concept Release; and the Commodity Futures Modernization Act

Guest Lecturer: Nancy Doyle, Esq; Adjunct Professor of Law at GULC and Assistant General Counsel at the CFTC

Reading/Source Materials:

- CFTC v. Co Petro Marketing Group, Inc., 680 F.2d 573 (9th Cir. 1982)
March 28, 2016

Class 9:  Part one: Derivative Market Reform II: New Categories of Market Participants and Mechanisms; Dodd-Frank’s Title VII reforms; Criticisms of Dodd-Frank Title VII; Derivative Market Enforcement Power (disruptive trading, manipulation), Whistleblower rules.


Reading/Source Materials:

- Regulating Wall Street, pp. 73 – 84, 402-405
- In-class handout

April 4, 2016

Class 10: Tri-Party Repurchase Agreements; Money Market Mutual Funds.

Reading/Source Materials:

- Regulating Wall Street, pp. 305-350
- SEC Staff Report Responses to Questions Posed by Commissioners Aquilar, Paredes, and Gallagher regarding Money Market Mutual Funds
- In-class handouts

April 11, 2016

Class 11: Role and Regulation of Rating Agencies, Conflicts of Interest, Securitization, accounting reforms.

Reading/Source Materials:

- Regulating Wall Street, pp. 443-467, 468-489
- 2015 SEC Report on Credit Rating Agencies (available on Canvas)
- In-class handout
April 18, 2016
Class 12: Banking Reforms I: Glass-Steagel; Gramm-Leach-Bliley; Run-up to 2008 Financial Crisis; Basel, Capital and Liquidity Requirements; Federal Reserve’s Comprehensive Capital Analysis and Review; Stress Test Results

Reading/Source Materials:

- Regulating Wall Street, pp. 143-178
- Gramm-Leach-Bliley Act of 1999
- Financial Crisis Inquiry Report (www.tinyurl.com/financialcrisisinquiryreport), pp. 52-66
- Federal Reserve’s 2016 Comprehensive Capital Analysis and Review (available on Canvas)
- Federal Reserve's 2016 Stress Test of Major Banks (available on Canvas)

April 25, 2016
Class 13: Banking Reforms II: Volcker Rule; Proprietary Trading; Lincoln “Push-Out;” Resolution Authority

Reading/Source Materials:

- Regulating Wall Street, pp. 181-240
- In-class handouts

TEAM PROJECT:

Students in a team of 3 or 4 (depending on class enrollment) will research and compose a 5 to 10 page comment letter on a topic raised in class. This is a pass-fail project. The comment letter should, at a minimum: 1) identify an issue/concern related to the subject matter of this course that warrants action; 2) explain why this issue/concern warrants action; 3) propose a solution or resolution of the issue/concern; 4) analyze and explain the legal and policy justification/basis for the proffered solution; and 5) advocate for this solution in a persuasive and legally sound manner. In Class 7, each team will make a 5 minute in-class presentation advocating for the position articulated in their comment letter. Classmates are encouraged to offer comments and discuss the merits/drawbacks of the team’s proffered approach. Students may utilize various research resources outside of the course materials, such Lexis/Westlaw, news websites, think tank materials, etc. to formulate their topic and develop their solution. Students may not consult
any person who is not a member of your team for assistance with this project. Failure to pass this project will result in a one quarter grade penalty/reduction on your failure grade.

Remote Executive LLM Program Students: Remote Executive LLM Program Students are required draft the 5-10 page group comment letter submission in groups of 3 or 4 (depending on class enrollment), but do not have any obligation to do a presentation of their comment letter. Remote Executive LLM Program Students are asked to collaborate virtually and/or telephonically to draft their submission. The same submission timeline applies to these students.

SEC University Students: SEC University Students are exempt from the obligation to prepare and present a comment letter submission.

**FINAL EXAM:**

This course is graded based on an 8-hour exam that is an OPEN book exam, with one exception. You may not consult with any other living human, verbally, by internet, or through any other means, about this exam during the time that you are taking the exam.

The exam is 80 multiple choice exam questions with a short answer option. For each multiple-choice question you may explain, if you wish, why you chose the answer you did in a short answer statement. If you choose the correct answer, you will get full credit for that question and I will not read any explanation you write.

You do not need to provide a written follow-up to any question and therefore may wish to do so only for questions for which you are uncertain of the answer. If you do not choose the correct answer, I will read what you wrote and I will consider whether to give you full credit if your reasoning reveals legal mastery of the subject tested. If you elect this option for any question, please provide no more than 3 sentences at most, and in many cases 1-2 sentences will do.

Please keep in mind that there is clearly just one best answer for each question. I will be examining your answer for substance, not expositional skill.

SEC University Students: SEC University Students will take the same 8-hour OPEN book exam, but will NOT have a short answer option. Your exam will be solely graded based on your multiple choice answers.

**GRADING:**

In-person at GULC and Remote Executive LLM Program Students: Students taking the course in-person at GULC and Remote Executive LLM Program Students will be graded jointly on a single grading curve.

SEC University Students: SEC University Students will be graded in a separate curve that will be completely separate from the in-person at GULC and Remote Executive LLM Program Students.