English articles

It's useful to read articles in English, even if you don't understand every word - it will help you increase your vocabulary and keep up to date with things happening in English-speaking countries!

*This page will be updated on **Mondays**. The first article is aimed at a B1 and upwards level and the second article is aimed at a B2 and upwards level*

Articles of the week

House votes to overturn Biden-era rule limiting bank overdraft fees to $5, sends to Trump to sign

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By CORA LEWIS and MARY CLARE JALONICK Associated Press

NEW YORK (AP) — The House voted Wednesday to overturn a rule that would have limited bank overdraft fees to $5, following the Senate in moving to dismantle the regulation that the Biden administration had estimated would save consumers billions of dollars.

The resolution killing the rule, which passed the House 217-211, will now head to the White House for President Donald Trump's signature. Republicans argued that the “disastrous” regulation issued in the final days of President Joe Biden's term would have forced banks to stop offering overdraft protection altogether and made it harder for Americans to access credit.

“Competition and innovation, not government-mandated price caps, remain the best way to ensure consumers have access to affordable financial products and services,” said Arkansas Rep. French Hill, the chairman of the House Financial Services Committee.

Currently, the nation's biggest banks take in roughly $8 billion in the charges every year, according to data from the Consumer Financial Protection Bureau and bank public records. Right now, there is no cap on the overdraft fees that banks can legally charge.

Banks and banking groups had previously sued over the rule, arguing that it would have led to consumers leaning on worse, less-regulated services. Republicans voted to undo the regulation under the Congressional Review Act, a 1996 law that allows Congress to reverse recently adopted rules.

Democrats strongly opposed the effort and said the rule would help consumers who can't afford the fees. California Rep. Maxine Waters, the top Democrat on the Financial Services panel, said that Americans are “fed up with these junk fees” and want to get them under control.

The rule, scheduled to go into effect in October, was part of Biden's effort to reduce fees that hit consumers on everyday purchases, including banking services. The CFPB estimated the rule would have saved consumers about $5 billion in annual overdraft fees, or $225 per household that typically experiences the fees. Biden had called the fees, which can be as high as $35 per transaction, “exploitative,” and consumer advocates point out they hit banks' most cash-strapped customers.

The Republican effort to overturn the rule is “shamefully targeting the American people,” said Rep. Rashida Tlaib, D-Mich.

When a bank temporarily lends a consumer money after their account has reached a zero balance, the consumer is typically responsible for paying back both the overdrawn amount and an additional fee, which can be more than the original amount charged. In one example, a $3 cup of coffee can end up costing someone more than $30.

Overdraft fees originated during a time when consumers wrote and cashed checks more frequently — so that the checks would clear instead of bouncing, if there was an issue of timing — but banks steadily increased the fees in the first two decades of the 2000s. A majority of overdrafts — about 70% — are charged to customers with average account balances between $237 and $439, according to the CFPB.

“The overdraft fee rule close(d) a paper-check era loophole that has allowed big banks to trick people into paying excessive overdraft fees and earn billions in profits from some of their most vulnerable customers,” wrote Chuck Bell, the advocacy program director at Consumer Reports, in a letter to lawmakers. “Overdraft fees have morph(ed) from an occasional, ad hoc courtesy provided to consumers to a line of business.”

Under the finalized rule, banks would have been able to choose from three options: charging a flat overdraft fee of $5, charging a fee that covered their costs and losses, or charging any fee so long as they disclosed the terms of the overdraft loan the way they would for any other loan, typically expressed as an annual percentage rate, or APR.

The finalized rule applied to banks and credit unions with more than $10 billion in assets, which included the nation's largest banks. Banks had previously sued the CFPB over these rules and caps on credit card late fees.

“Without access to overdraft protection, many Americans would be driven to less regulated and higher risk non-bank lenders to cover unexpected or emergency expenses,” said Rob Nichols, American Bankers Association president and CEO, in a statement. Nichols said the rule could have led banks to “limit or eliminate overdraft protection as we know it.”

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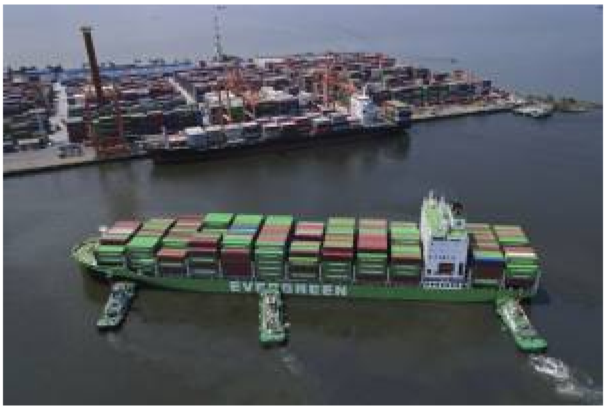
Major nations agree on first-ever global fee on greenhouse gases with plan that targets shipping



By JENNIFER McDERMOTT and SIBI ARASU Associated Press

Many of the world's largest shipping nations decided on Friday to impose a minimum fee of $100 for every ton of greenhouse gases emitted by ships above certain thresholds, in what is effectively the first global tax on greenhouse gas emissions.

The International Maritime Organization estimates $11 billion to $13 billion in revenue annually from the fees, with the money to be put into its net zero fund to invest in fuels and technologies needed to transition to green shipping, reward low-emission ships and support developing countries so they aren't left behind with dirty fuels and old ships. The thresholds set through the agreement will get stricter over time to try to reach the IMO's goal of net zero across the industry by about 2050.

The agreement, reached with the United States notably absent, is expected to be formally adopted at an October meeting to take effect in 2027. The IMO, which regulates international shipping, also set a marine fuel standard to phase in cleaner fuels.

Shipping emissions have grown over the last decade to about 3% of the global total as vessels have gotten bigger, delivering more cargo per trip and using immense amounts of fuel.

IMO Secretary-General Arsenio Dominguez said the group forged a meaningful consensus in the face of complex challenges to combat climate change and modernize shipping. The shipping industry is on track to meet the net zero goal, he added.

Some environmentalists at the meeting called the agreement a “historic decision” that doesn't go far enough. The fee doesn't drive enough emission reductions and it won't raise enough revenue to help developing countries transition to greener shipping, said Emma Fenton, senior director for climate diplomacy at a U.K.-based climate change nonprofit, Opportunity Green.

Fenton said the measure actually opens the door for a scenario where ships can pay to pollute instead of decarbonize, because it could be cheaper to simply absorb the fee than to make changes to reduce emissions, like switching fuels.

“The IMO has made an historic decision, yet ultimately one that fails climate-vulnerable countries and falls short of both the ambition the climate crisis demands and that member states committed to just two years ago,” they said.

Other groups welcomed the agreement as a step in the right direction.

“By approving a global fuel standard and greenhouse gas pricing mechanism, the International Maritime Organization took a crucial step to reduce climate impacts from shipping. Member states must now deliver on strengthening the fuel standard over time to more effectively incentivize the sector's adoption of zero and near-zero fuels, and to ensure a just and equitable energy transition,” said Natacha Stamatiou of the Environmental Defense Fund.

The previous day, delegates approved a proposal to designate an emissions control area in the North-East Atlantic Ocean. Ships traveling through the area will have to abide by more stringent controls on fuels and their engines to reduce pollution. It will cover ships coming into and leave ports in the North Atlantic, such as the United Kingdom, Greenland, France and the Faroe Islands. It will oblige ships from North America, Asia and many other destinations to reduce emissions, said Sian Prior, lead adviser to the Clean Arctic Alliance.

The Marine Environment Protection Committee, which is part of the IMO, has been in meetings all week in London and finalized its decision Friday.

One major issue during the meetings was the way the fee would be charged. More than 60 countries entered the negotiations pushing for a simple tax charged per metric ton of emissions. They were led by Pacific island nations, whose very existence is threatened by climate change.

Other countries with sizable maritime fleets — notably China, Brazil, Saudi Arabia and South Africa — wanted a credit trading model instead of a fixed levy. Finally, a compromise between the two models was reached. The compromise is in the ambition of the measure, since the fee is not a universal levy on all emissions.

The IMO aims for consensus in decision-making, but in this case had to vote. Sixty-three nations, including China, Brazil, South Africa and many European states, approved the agreement. Led by Saudi Arabia, 16 opposed. And 24 nations, including a group from the Pacific Islands, abstained. Ministers from the island nations said they refused to support an agreement that would “do too little, too late to cut shipping emissions and protect their islands,” and will try to strengthen it at the October meeting.

“We came as climate vulnerable countries— with the greatest need and the clearest solution. And what did we face? Weak alternatives from the world's biggest economies,” Simon Kofe, Tuvalu's minister for transport, energy, communication and innovation, said in a statement.

Brazil's negotiator, who wasn't identified by name in a livestream of the closing, said the agreement isn't intended to be perfect because each nation would have a different answer on what would be perfect. But he said nations listened to each other and came up with a framework to address climate change in an extremely challenging geopolitical environment.

The United States didn't participate in the negotiations in London and urged other governments to oppose the emission measures being considered. The Trump administration said it would reject any efforts to impose economic measures against its ships based on emissions or fuel choice, which it said would burden the sector and drive inflation. It threatened possible reciprocal measures if any fees are charged.

When asked about the United States' position in a press conference, Secretary-General Dominguez said large ships traveling between different countries are obliged to comply with the IMO's regulations. He said nations with concerns should engage with the IMO, to move forward together.

Dominguez also addressed concerns that the targeted reductions in carbon intensity for fuels aren't strict enough to reduce the use of liquefied natural gas as a marine fuel, which emits greenhouse gases when burned. He said it's a “transition fuel,” or a bridge to cleaner fuels, and the IMO will continue to look at its environmental impacts in addressing its use.

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