



Current Legislative and Regulatory Activity



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No. 115-28

For the week ending September 16, 2017

SELECTED NEW PUBLIC LAWS ENACTED:

PUBLIC LAW 115-56: The President signed into law [H.R. 601](#), Continuing Appropriations Act, 2018 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017 (Sept. 8, 2017; 131 Stat. 1129; 19 pages).

PUBLIC LAW 115-57: The President signed into law [H.R. 3732](#) the Emergency Aid to American Survivors of Hurricanes Irma and Jose Overseas Act (Sept. 12, 2017; 131 Stat. 1148; 1 page).

PUBLIC LAW 115-58: The President signed into law [S.J. Res. 49](#), Condemning the violence and domestic terrorist attack that took place during events between August 11 and August 12, 2017, in Charlottesville, Virginia, recognizing the first responders who lost their lives while monitoring the events, offering deepest condolences to the families and friends of those individuals who were killed and deepest sympathies and support to those individuals who were injured by the violence, expressing support for the Charlottesville community, rejecting White nationalists, White supremacists, the Ku Klux Klan, neo-Nazis, and other hate groups, and urging the President and the President's Cabinet to use all available resources to address the threats posed by those groups. (Sept. 14, 2017; 131 Stat. 1149; 3 pages).

SELECTED FLOOR/CHAMBER ACTIONS:

ON THE FLOOR OF THE SENATE: On September 11, 2017, the Committee on Banking, Housing, and Urban Affairs was discharged from further consideration of the Small Business Capital Formation Enhancement Act, [S. 416](#), to amend the Small Business Investment Incentive Act of 1980 to require an annual review by the Securities and Exchange Commission of the annual government-business forum on capital formation, and the bill was then passed. See v. 163 Cong. Record, [page S5166](#), September 11, 2017.

ON THE FLOOR OF THE SENATE: On September 11, 2017, the Senate passed the Fair Access to Investment Research Act, [S. 327](#), to direct the Securities and Exchange Commission to provide a safe harbor related to certain investment fund research reports, after agreeing to the committee amendments, and the McConnell (for Warren/Heller) Amendment No. 935, of a perfecting nature. . See v. 163 Cong. Record, [pages S5167–68](#), September 11, 2017.

ON THE FLOOR OF THE SENATE: On September 11, 2017, the Senate passed the Supporting America's Innovators Act, [S. 444](#), to amend the Investment Company Act of 1940 to expand the investor limitation for qualifying venture capital funds under an exemption from the definition of an investment company. . See v. 163 Cong. Record, [page S5168](#) , September 11, 2017.

ON THE FLOOR OF THE SENATE: On September 11, 2017, the Senate passed the Securities and Exchange Commission Overpayment Credit Act, [S. 462](#), to require the Securities and Exchange Commission to refund or credit certain excess payments made to the Commission. . See v. 163 Cong. Record, [pages S5168–69](#), September 11, 2017.

ON THE FLOOR OF THE SENATE: On September 11, 2017, the Senate passed the U.S. Territories Investor Protection Act, [S. 484](#), to amend the Investment Company Act of 1940 to terminate an exemption for companies located in Puerto Rico, the Virgin Islands, and any other possession of the United States, after agreeing to the committee amendments. . See v. 163 Cong. Record, [page S5169](#), September 11, 2017.

ON THE FLOOR OF THE SENATE: On September 11, 2017, the Senate passed the Encouraging Employee Ownership Act, [S. 488](#), to increase the threshold for disclosures. See v. 163 Cong. Record, required by the Securities and Exchange Commission relating to compensatory benefit plans. [page S5169](#) , September 11, 2017.

ON THE FLOOR OF THE SENATE: On September 13, 2017, the Senate began consideration of [H.R. 2810](#), to authorize defense appropriations for fiscal year 2018 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, after agreeing to the motion to proceed, and taking action on amendments proposed thereto: See v. 163 Cong. Record [pages S5245–53](#), [S5253–S5474](#) , September 13, 2017.

ON THE FLOOR OF THE HOUSE: On September 12 and 13, 2017, the House considered [H.R. 3354](#), making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2018. See v. 163 Cong. Record, [pages H7253–77](#), [H7277–87](#), [H7288–91](#), [H7291–H7310](#) [Page H7334](#)–89, September 12 and 13, 2017.

SELECTED MEASURES REPORTED FROM COMMITTEE:

HOUSE COMMITTEE ON FINANCIAL SERVICES: On September 12, 2017, Chairman Hensarling, R-TX, filed a report to accompany [H.R. 1624](#), a bill to require the appropriate Federal banking agencies to treat certain municipal obligations as level 2A liquid assets, and for other purposes; with amendments (H. Rept. 115-306). Referred to the Committee of the Whole House on the state of the Union.

SENATE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS: On September 14, 2017, Chairman Johnson, R-WI, filed a report to accompany, with amendments, [S. 1088](#), a bill to require the collection of voluntary feedback on services provided by agencies, and for other purposes (S. Rept. No. 115-156)

SELECTED COMMITTEE ACTIONS/HEARINGS:

HOUSE COMMITTEE ON FINANCIAL SERVICES: On September 12, 2017, the Subcommittee on Financial Institutions and Consumer Credit; and Subcommittee on Monetary Policy and Trade held a joint [hearing](#) entitled "Examining the Relationship Between Prudential Regulation and Monetary Policy at the Federal Reserve". Testimony was heard from public witnesses.

SENATE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS: On September 12, 2017, the Committee held and concluded a [hearing](#) to examine the Fintech landscape, including [S. 536](#), to promote transparency in the oversight of cybersecurity risks at publicly traded companies, after receiving testimony from Lawrance L. Evans, Director, Financial Markets and Community Investment, Government Accountability Office; Eric W. Turner, S&P Global Market Intelligence, Princeton, New Jersey; and Frank Pasquale, University of Maryland Francis King Carey School of Law, Baltimore.

SENATE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS: On September 14, 2017, the Committee held and concluded a [hearing](#) to examine the Committee on Foreign Investment in the United States, after receiving testimony from Clay Lowery, Rock Creek Global Advisors LLC, and Kevin J. Wolf, Akin Gump Strauss Hauer and Feld LLP, both of Arlington, Virginia; and James A. Lewis, Center for Strategic and International Studies, Alexandria, Virginia.

SENATE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS: On September 13, 2017, the Subcommittee on Regulatory Affairs and Federal Management held and concluded a [hearing](#) to examine the Office of Management and Budget's memorandum on the Federal workforce, focusing on OMB's ongoing government-wide reorganization, after receiving testimony from Robert Shea, Grant Thornton Public Sector, Alexandria, Virginia; and Rachel Greszler, The Heritage Foundation, Chris Edwards, Cato Institute, and Anthony M. Reardon, National Treasury Employees Union, all of Washington, D.C.

SENATE COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS: On September 14, 2017, the Committee held and concluded a [hearing](#) to examine stabilizing health premiums and helping individuals in the individual insurance market for 2018, focusing on health care stakeholders, after receiving testimony from Raymond G. Farmer, South Carolina Department of Insurance Director, Columbia, on behalf of the National Association of Insurance Commissioners; Manny K. Sethi, Healthy Tennessee, Nashville; Susan Turney, Marshfield Clinic Health System, Marshfield, Wisconsin; and Robert Ruiz-Moss, Anthem, Inc., and Christina Postolowski, Young Invincibles, both of Denver, Colorado.

HOUSE COMMITTEE ON FINANCIAL SERVICES: On September 13, 2017, the Subcommittee on Monetary Policy and Trade held a [hearing](#) entitled "A Legislative Proposal to Impede North Korea's Access to Finance". Testimony was heard from public witnesses.

HOUSE COMMITTEE ON EDUCATION AND THE WORKFORCE: On September 13, 2017, the Subcommittee on Workforce Protections; and Subcommittee on Health, Employment, Labor, and Pensions held a joint [hearing](#) on [H.R. 3441](#), the "Save Local Business Act". Testimony was heard from public witnesses.

HOUSE COMMITTEE ON ENERGY AND COMMERCE: On September 13, 2017, the Subcommittee on Environment held a [hearing](#) entitled "Big Relief for Small Business: Legislation Reducing Regulatory Burdens on Small Manufacturers and Other Job Creators". Testimony was heard from public witnesses.

HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM: On September 13, 2017, the full Committee [held a markup](#) and then reported without amendment the following bills: [H.R. 3731](#), the "Secret Service Recruitment and Retention Act of 2017"; [H.R. 3739](#), the "Presidential Allowance Modernization Act of 2017"; [H.R. 3737](#), the "Reporting Use of Social Media in Clearance Investigations Act of 2017"; [H.R. 3071](#), the "Federal Acquisition Savings Act of 2017". Reported with amendment were [H.R. 1701](#), the "Eliminating Government-funded Oil-painting Act"; [H.R. 3019](#), the "Promoting Value Based Procurement Act of 2017"; and [H.R. 2331](#), the "Connected Government Act"

JOINT ECONOMIC COMMITTEE: On September 12, 2017, the Committee held and concluded a [hearing](#) to examine the dynamic gains from free digital trade for the United States economy, after receiving testimony from Daniel Griswold, George Mason University Mercatus Center, Arlington, Virginia; Sean Heather, United States Chamber of Commerce, and Daniel A. Sepulveda, former Deputy Assistant Secretary of State, both of Washington, D.C.; and Nick Quade, Relay Networks Inc., Deephaven, Minnesota.

SELECTED MEASURES INTRODUCED IN THE HOUSE:

By Mr. POSEY, R-FL (for himself and Mr. Heck, D-WA):
[H.R. 3736](#). A bill to require the National Credit Union Administration to conduct a study of the appropriate capital requirements for credit unions, and for other purposes; to the Committee on Financial Services. Introduced September 11, 2017.

By Mr. DUFFY, R-WI (for himself and Ms. Moore, D-WI):
[H.R. 3746](#). A bill to amend the Consumer Financial Protection Act of 2010 to clarify the authority of the Bureau of Consumer Financial Protection with respect to persons regulated by a State insurance regulator, and for other purposes; to the Committee on Financial Services. Introduced September 12, 2017.

By Mr. GOTTHEIMER, D-NJ (for himself, Mr. Fitzpatrick, and Mr. Reed):

[H.R. 3747](#). A bill to require financial institutions to freeze the assets of individuals arrested under suspicion of participating in domestic terrorism or providing material support to terrorists, to establish a national clearinghouse for information on incidents of homegrown "lone wolf" terrorism, domestic terrorism, and persons providing material support to terrorists, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. Introduced September 12, 2017.

By Ms. MAXINE WATERS, D-CA:

[H.R. 3755](#). A bill to amend the Fair Credit Reporting Act to improve the consumer reporting system, and for other purposes; to the House Committee on Financial Services. Introduced September 13, 2017.

By Mr. KHANNA, D-CA (for himself and 51 cosponsors):

[H.R. 3757](#). A bill to amend the Internal Revenue Code of 1986 to modify the earned income tax credit to account for the amount by which economic growth has outpaced income growth, and for other purposes; to the Committee on Ways and Means. Introduced September 13, 2017.

By Ms. SINEMA, D-AZ (for herself and Mr. Poliquin, R-ME):

[H.R. 3758](#). A bill to provide immunity from suit for certain individuals who disclose potential examples of financial exploitation of senior citizens, and for other purposes; to the Committee on Financial Services. Introduced September 13, 2017.

By Mr. CARTWRIGHT, D-PA (for himself and 16 cosponsors):

[H.R. 3760](#). A bill to amend the Truth in Lending Act to establish a national usury rate for consumer credit transactions; to the House Committee on Financial Services. Introduced September 13, 2017.

By Mr. DUFFY, R-WI (for himself and Mr. Heck, D-WA):

[H.R. 3762](#). A bill to preserve the State-based system of insurance regulation and provide greater oversight of and transparency on international insurance standards setting processes, and for other purposes; to the Committee on Financial Services, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. Introduced September 13, 2017.

By Mr. HIMES, D-CT:

[H.R. 3766](#). A bill to amend the Fair Credit Reporting Act to require consumer reporting agencies to place a security freeze on a consumer report without a fee if the consumer reporting agency is subject to a breach of data security, and for other purposes; to the Committee on Financial Services. Introduced September 13, 2017.

By Mr. BARR, R-KY (for himself and Mr. David Scott, D-GA):

[H.R. 3772](#). A bill to amend the Securities Exchange Act of 1934 to provide specific credit risk retention requirements to certain qualifying collateralized loan obligations; to the Committee on Financial Services. Introduced September 14, 2017.

By Mr. COHEN, D-TN (for himself and 30 cosponsors):

[H.R. 3783](#). A bill to amend the Fair Credit Reporting Act to prohibit the use of consumer credit checks against prospective and current employees for the purposes of making adverse employment decisions; to the Committee on Financial services. Introduced September 14, 2017.

SELECTED MEASURES INTRODUCED IN THE SENATE:

By Mr. SCHATZ, D-HI (for himself and five cosponsors):

[S. 1786](#). A bill to amend the Fair Credit Reporting Act to enhance the accuracy of credit reporting and provide greater rights to consumers who dispute errors in their credit reports, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs. Introduced September 11, 2017.

By Mr. GARDNER, R-CO:

[S. 1802](#). A bill to amend title 5, United States Code, to extend the maximum time a person may serve as an acting officer; to the Committee on Homeland Security and Governmental Affairs. Introduced September 13, 2017.

By Mr. WYDEN, D-OR:

[S. 1810](#). A bill to amend the Fair Credit Reporting Act to provide access to free credit freezes for all consumers; to the Senate Committee on Banking, Housing, and Urban Affairs. Introduced September 14, 2017.

By Ms. KLOBUCHAR, D-MN (for herself and three cosponsors):

[S. 1812](#). A bill to amend the Clayton Act to modify the standard for an unlawful acquisition, and for other purposes; to the Committee on the Judiciary. Introduced September 14, 2017.

By Ms. WARREN, D-MA (for herself and 16 cosponsors):

[S. 1816](#). A bill to amend the Fair Credit Reporting Act to enhance fraud alert procedures and provide free access to credit freezes, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs. Introduced September 14, 2017.

By Ms. WARREN, D-MA (for herself and 20 cosponsors):

[S. 1819](#). A bill to amend the Fair Credit Reporting Act to prohibit the use of consumer credit checks against prospective and current employees for the purposes of making adverse employment decisions; to the Committee on Banking, Housing, and Urban Affairs. Introduced September 14, 2017.

SELECTED STUDIES/REPORTS PRESENTED TO CONGRESS

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM: See the Board's [Annual Report](#) to Congress and [other reports](#) presented to Congress on the Board's Publications website. See also [periodic required reports](#) to Congress by the Board (Intranet site).

OFFICE OF INSPECTOR GENERAL - BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM and the CONSUMER FINANCIAL PROTECTION BUREAU: See latest OIG activity by agency at <https://oig.federalreserve.gov/>.

CONGRESSIONAL RESEARCH SERVICE – LIBRARY OF CONGRESS: The CRS released a report by Marc Labonte, et al. entitled [The Financial CHOICE Act in the 115th Congress: Selected Policy Issues](#). [R44839](#). September 8, 2017. 48 pages.

CONGRESSIONAL RESEARCH SERVICE – LIBRARY OF CONGRESS: The CRS released a report by James V. Saturno entitled [Federal Funding Gaps: A Brief Overview](#). [RS20348](#). Updated September 13, 2017. 10 pages.

CONGRESSIONAL RESEARCH SERVICE – LIBRARY OF CONGRESS: The CRS released a report by D. Andrew Austin entitled [The Debt Limit Since 2011](#). [R43389](#). Updated September 13, 2017. 31 pages.

CONGRESSIONAL BUDGET OFFICE: The CBO produces dozens of publications and legislative cost estimates every year on a variety of topics including those on the [Budget](#), on the [Economy](#), on [Employment and Labor Markets](#), on [Finance](#), on [Housing](#), on [Income Distribution](#), on [Taxes](#), and on other topics. See especially its analysis of the [American Health Care Act](#), H.R. 1628 as well as a [CRS report](#) on H.R. 1628.

SELECTED FEDERAL REGULATORY ACTIONS:

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM: The Board has adopted a final rule to promote U.S. financial stability by [improving the resolvability and resilience of systemically important U.S. banking organizations](#) and systemically important foreign banking organizations pursuant to section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). Under the final rule, any U.S. top-tier bank holding company identified by the Board as a global systemically important banking organization (GSIB), the subsidiaries of any U.S. GSIB (other than national banks, federal savings associations, state nonmember banks, and state savings associations), and the U.S. operations of any foreign GSIB (other than national banks, federal savings associations, state nonmember banks, and state savings associations) would be subjected to restrictions regarding the terms of their non-cleared qualified financial contracts (QFCs). First, a covered entity generally is required to ensure that QFCs to which it is party provide that any default rights and restrictions on the transfer of the QFCs are limited to the same extent as they would be under the Dodd-Frank Act and the Federal Deposit Insurance Act. Second, a covered entity generally is prohibited from being party to QFCs that would allow a QFC counterparty to exercise default

rights against the covered entity, directly or indirectly, based on the entry into a resolution proceeding under the Dodd-Frank Act or Federal Deposit Insurance Act, or any other resolution proceeding, of an affiliate of the covered entity. The final rule also amends certain definitions in the Board's capital and liquidity rules; these amendments are intended to ensure that the regulatory capital and liquidity treatment of QFCs to which a covered entity is party is not affected by the final rule's restrictions on such QFCs. The Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation (FDIC) are expected to issue final rules that would subject GSIB subsidiaries for which the OCC and FDIC are the appropriate Federal banking agency to requirements substantively identical to those in this final rule. The final rule is effective on November 13, 2017. See v. 82 Fed. Register, pages 42882-42926, September 12, 2017 ([FR Doc No 2017-19053](#)).

OFFICE OF THE COMPTROLLER OF THE CURRENCY, FEDERAL DEPOSIT INSURANCE CORPORATION: The OCC and the FDIC are proposing to shorten the standard settlement cycle for securities purchased or sold by national banks, federal savings associations, and FDIC-supervised institutions. The Agencies' proposal is consistent with an industry-wide transition to a two-business-day settlement cycle, which is designed to reduce settlement exposure and align settlement practices across all market participants. You must submit comments by October 11, 2017. See v. 82 Fed. Register, pages 42619-42623, September 11, 2017 ([FR Doc No 2017-19008](#)).

FISCAL SERVICE - DEPARTMENT OF THE TREASURY: The Department of the Treasury, Bureau of the Fiscal Service (Fiscal Service) is amending its regulation governing the use of the Automated Clearing House (ACH) Network by Federal agencies. Our regulation adopts, with some exceptions, the NACHA Operating Rules developed by NACHA--The Electronic Payments Association (NACHA) as the rules governing the use of the ACH Network by Federal agencies. We are issuing this rule to address changes that NACHA has made to the NACHA Operating Rules since the publication of the 2013 NACHA Operating Rules & Guidelines book. These changes include amendments set forth in the 2014, 2015, and 2016 NACHA Operating Rules & Guidelines books. The rule is effective September 11, 2017. See v. 82 Fed. Register, pages 42957-42609, September 11, 2017 ([FR Doc No 2017-19135](#)).

BUREAU OF CONSUMER FINANCIAL PROTECTION: The Bureau of Consumer Financial Protection (Bureau) has amended Regulation C to make technical corrections to and to clarify certain requirements adopted by the Bureau's Home Mortgage Disclosure (Regulation C) final rule (2015 HMDA Final Rule), which was published in the Federal Register on October 28, 2015. The Bureau is also amending Regulation C to increase the threshold for collecting and reporting data about open-end lines of credit for a period of two years so that financial institutions originating fewer than 500 open-end lines of credit in either of the preceding two years would not be required to begin collecting such data until January 1, 2020. The Bureau also is adopting a new reporting exclusion. This rule is effective on January 1, 2018. See v. 82 Fed. Register, pages 43088-43149, September 13, 2017 ([FR Doc No 2017-18284](#)).

FEDERAL BANKING AGENCIES: A website of the Federal Reserve Bank of St. Louis lays out recent updates to [Federal Banking Regulations](#). See also the news releases from the public websites of the [FRB](#), the [OCC](#), the [FDIC](#), the [CFPB](#), the [CFTC](#) and the [SEC](#).

HOW TO OBTAIN DOCUMENTS:

Most of the legislative and regulatory material noted above can be obtained on the Internet (see links within each item) through [Congress.gov](#), the legislative database of the Library of Congress, or through the United States [Government Publishing Office](#) via [FDsys](#) and [GovInfo.gov](#). Congressional hearings are normally published several months after a hearing occurs, but prepared statements of witnesses, as well as archived webcasts, can be obtained on most Congressional [committee websites](#). Board prepared statements before Congress and press releases on its regulatory actions are available on the [Board's public Web site](#). Selected unofficial transcripts of congressional hearings may also be available on certain commercial databases.

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