



Current Legislative and Regulatory Activity



United States
of America

November 6, 2017

No. 115-35

For the week ending November 4, 2017

SELECTED NEW PUBLIC LAWS ENACTED:

PUBLIC LAW 115-74: The President signed into law [H.J. Res. 111](#), providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by Bureau of Consumer Financial Protection relating to "Arbitration Agreements". (Nov. 1, 2017; 131 Stat. 1243; 1 page)

PUBLIC LAW 115-76: The President signed into law H.R. 1616, Strengthening State and Local Cyber Crime Fighting Act of 2017 (Nov. 2, 2017; 131 Stat. 1246; 5 pages)

PUBLIC LAW 115-78: The President signed into law [S. 190](#), the Power and Security Systems (PASS) Act (Nov. 2, 2017; 131 Stat. 1256; 2 pages)

PUBLIC LAW 115-79: The President signed into law [S. 504](#), the Asia-Pacific Economic Cooperation Business Travel Cards Act of 2017 (Nov. 2, 2017; 131 Stat. 1258; 3 pages)

SELECTED FLOOR/CHAMBER ACTIONS:

ON THE FLOOR OF THE SENATE: On November 2, 2017, the Senate received the nomination of Jerome H. Powell, of Maryland, to be Chairman of the Board of Governors of the Federal Reserve System for a term of four years.

ON THE FLOOR OF THE HOUSE: On November 1, 2017, the House passed the Encouraging Public Offerings Act of 2017, [H.R. 3903](#), amended, to amend the Securities Act of 1933 to expand the ability to use testing the waters and confidential draft registration submissions, by a 2/3 yea-and-nay vote of 419 yeas with none voting ``nay", [Roll No. 599](#). See v. 163 Cong. Record, [pages H8318–20, H8361–62](#), November 1, 2017.

ON THE FLOOR OF THE HOUSE: On November 1, 2017, the House passed [H.R. 1585](#), amended, to amend the Securities Act of 1933 to codify certain qualifications of individuals as accredited investors for purposes of the securities laws. See v. 163 Cong. Record, [pages H8320–23](#), November 1, 2017.

SELECTED MEASURES REPORTED FROM COMMITTEE:

HOUSE COMMITTEE ON FINANCIAL SERVICES: On November 1, 2017, Chairman Hensaling, R-TX, filed a report to accompany [H.R. 2201](#), a bill to amend the Securities Act of 1933 to exempt certain micro-offerings from the registration requirements of such Act, and for other purposes (H. Rept. 115-383). Referred to the Committee of the Whole House on the state of the Union.

HOUSE COMMITTEE ON FINANCIAL SERVICES: On November 3, 2017, Chairman Hensarling, R-TX, filed a report to accompany [H.R. 3911](#), a bill to amend the Securities Exchange Act of 1934 with respect to risk-based examinations of Nationally Recognized Statistical Rating Organizations (H. Rept. 115-384). Referred to the Committee of the Whole House on the state of the Union.

SELECTED COMMITTEE ACTIONS/HEARINGS:

HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM: On November 2, 2017, the full Committee held a markup on [H.R. 4174](#), the ``Foundations for Evidence-Based Policymaking Act of 2017"; [H.R. 4182](#), the ``Ensuring a Qualified Civil Service Act of 2017"; [H.R. 1132](#), the ``Political Appointee Burrowing Prevention Act"; [H.R. 4043](#), the ``Whistleblower Protection Extension Act of 2017"; [H.R. 4171](#), to amend title 5, United States Code, to extend the authority to conduct telework travel expenses test programs, and for other purposes; [H.R. 3121](#), the ``All-American Flag Act"; [H.R. 4177](#), the ``Preparedness and Risk Management for Extreme Weather Patterns Assuring Resilience and Effectiveness Act of 2017", and other measures changing the names of various post offices. H.R. 1132, H.R. 4043, and H.R. 3121 were ordered reported, as amended. H.R. 4174, H.R. 4182, H.R. 4171, H.R. 4177, were ordered reported, without amendment.

HOUSE COMMITTEE ON FINANCIAL SERVICES: On November 3, 2017, the Subcommittee on Capital Markets, Securities, and Investment held a hearing entitled ``Legislative Proposals to Improve Small Businesses' and Communities' Access to Capital". Testimony was heard from public witnesses.

SENATE COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS: On November 1, 2017, the Committee ordered favorably reported the nominations of David J. Ryder, of New Jersey, to be Director of the Mint, Department of the Treasury, and Hester Maria Peirce, of Ohio, and Robert J. Jackson, Jr., of New York, both to be a Member of the Securities and Exchange Commission.

HOUSE COMMITTEE ON ENERGY AND COMMERCE: On November 1, 2017, the Subcommittee on Digital Commerce and Consumer Protection held a hearing entitled ``Securing Consumers' Credit Data in the Age of Digital Commerce". Testimony was heard from public witnesses.

SELECTED MEASURES INTRODUCED IN THE HOUSE:

By Mr. GIANFORTE, R-MT (for himself and Mr. Connolly, D-VA):

[H.R. 4171](#). A bill to amend title 5, United States Code, to extend the authority to conduct telework travel expenses test programs, and for other purposes; to the Committee on Oversight and Government Reform. Introduced October 31, 2017.

By Mr. RYAN, R-WI (for himself and three cosponsors):

[H.R. 4174](#). A bill to amend titles 5 and 44, United States Code, to require Federal evaluation activities, improve Federal data management, and for other purposes; to the Committee on Oversight and Government Reform. Introduced October 31, 2017.

By Mr. MARCHANT, R-TX:

[H.R. 4204](#). A bill to amend the Internal Revenue Code of 1986 to provide for International Regulated Investment Companies; to the House Committee on Ways and Means. Introduced November 1, 2017.

By Mr. ROTHFUS, R-PA (for himself and two cosponsors):

[H.R. 4205](#). A bill to amend the Federal Financial Institutions Examination Council Act of 1978 to establish a three-judge independent examination review panel; to the Committee on Financial Services. Introduced November 1, 2017.

By Ms. TENNEY, R-NY:

[H.R. 4218](#). A bill to amend section 201 of title 18, United States Code, to redefine the term official act in bribery cases involving public officials to strengthen accountability and oversight; to the Committee on the Judiciary. Introduced November 1, 2017.

By Mr. BRADY, R-TX (for himself and 24 cosponsors):

[H.R. 1](#). A bill to provide for reconciliation pursuant to title II of the concurrent resolution on the budget for fiscal year 2018 (tax reform vehicle); to the House Committee on Ways and Means. Introduced November 2, 2017.

By Mr. MEADOWS, R-NC (for himself and seven cosponsors):

[H.R. 4230](#). A bill to require the timely publication of any research source code and data used by a Federal agency in assessing the costs and benefits of new regulations, and for other purposes; to the Committee on the Judiciary. Introduced November 2, 2017.

By Mr. NORMAN, R-SC (for himself and 13 cosponsors):

[H.R. 4231](#). A bill to amend title 5, United States Code, to provide requirements for agency decision making based on science; to the House Committee on the Judiciary. Introduced November 2, 2017.

By Mr. SMITH, R-NJ (for himself and Mr. Estes, R-KS):

[H.R. 4235](#). A bill to authorize a review of financial services industry requirements of the People's Republic of China and the implications of such requirements on national security interests of the United States; to the Committee on Financial Services, and in addition to the

Committees on Foreign Affairs, and Energy and Commerce, 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 November 2, 2017.

By Mr. BUDD, R-NC:

[H.R. 4247](#). A bill to repeal title VIII of the Dodd-Frank Wall Street Reform and Consumer Protection Act; to the Committee on Financial Services. Introduced November 2, 2017.

By Mr. REED, R-NY (for himself and Mr. Peters, D-CA):

[H.R. 4250](#). A bill to promote category management principles within the Federal Government, and for other purposes; to the Committee on Oversight and Government Reform. Introduced November 2, 2017.

SELECTED MEASURES INTRODUCED IN THE SENATE:

By Mr. BROWN, D-OH (for himself and eight cosponsors):

[S. 2069](#). A bill to amend the National Labor Relations Act to clarify the requirements for meeting the definition of the term "employee", and for other purposes; to the Committee on Health, Education, Labor, and Pensions. Introduced November 2, 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 such as the [Availability of Credit to Small Business](#) and the [Presidential \\$1 Coin Program](#). 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/>.

GOVERNMENT ACCOUNTABILITY OFFICE: The GAO issued a special report entitled [Federal Employees Health Benefits Program: Enrollment Remains Concentrated Despite More Plan Offerings and Effects of Adding Plan Types Are Uncertain](#) [GAO-18-52](#), October 5, 2017. 46 pages.

CONGRESSIONAL RESEARCH SERVICE – LIBRARY OF CONGRESS: The CRS released a report by Roger Jay Dilger entitled [The Small Business Lending Fund](#). [R42045](#). Updated October 27, 2017. 40 pages.

CONGRESSIONAL RESEARCH SERVICE – LIBRARY OF CONGRESS: The CRS released a report by Julie M. Whittaker entitled [Social Security: Cost of Living Adjustments](#). [94-803](#). Updated October 26, 2017. 10 pages.

CONGRESSIONAL RESEARCH SERVICE – LIBRARY OF CONGRESS: The CRS released a brief report by Maeve P. Carey entitled GAO Issues Opinions on Applicability of Congressional Review Act to Two Guidance Documents. [IN10808](#). October 25, 2017. 2 pages. One of the documents is a joint FRB-OCC-FDIC guidance.

CONGRESSIONAL RESEARCH SERVICE – LIBRARY OF CONGRESS: The CRS released a brief report by David H. Carpenter entitled Treasury Proposes Rule That Could Deliver a “Death Sentence” to Chinese Bank. [LSB10019](#). October 30, 2017. 2 pages.

CONGRESSIONAL RESEARCH SERVICE – LIBRARY OF CONGRESS: The CRS released a report by Valerie C. Brannon entitled The Vacancies Act: A Legal Overview. [R44997](#). October 30, 2017. 21 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: On November 3, 2017, the Board announced the annual indexing of two amounts used in determining reserve requirements of depository institutions. These amounts are the reserve requirement exemption amount and the low reserve tranche. All depository institutions must hold a percentage of certain types of deposits as reserves in the form of vault cash, as a deposit in a Federal Reserve Bank, or as a deposit in a pass-through account at a correspondent institution. Reserve requirements currently are assessed on the depository institution's net transaction accounts (mostly checking accounts). Depository institutions must also regularly submit reports of their deposits and other reservable liabilities. For net transaction accounts in 2018, the first \$16 million, up from \$15.5 million in 2017, will be exempt from reserve requirements. A 3 percent reserve ratio will be assessed on net transaction accounts over \$16 million up to and including \$122.3 million, up from \$115.1 million in 2017. A 10 percent reserve ratio will be assessed on net transaction accounts in excess of \$122.3 million. See November 3, 2017 [press release](#) and its attached *Federal Register* which notice contains a description of the new boundaries for deposit reporting that will be effective in 2018.

FEDERAL DEPOSIT INSURANCE CORPORATION: The FDIC is adding regulations to improve the resolvability of systemically important U.S. banking organizations and systemically important foreign banking organizations and enhance the resilience and the safety and soundness of certain State savings associations and State-chartered banks that are not members of the Federal Reserve System (“State non-member banks” or “SNMBs”) for which the FDIC is the primary Federal regulator (together, “FSIs” or “FDIC-supervised institutions”). This final rule requires that FSIs and their subsidiaries (“covered FSIs”) ensure that covered qualified financial contracts (QFCs) to which they are a 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 Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) and the Federal Deposit Insurance Act (FDI Act). In addition, covered FSI are generally prohibited from being party to QFCs that would allow a QFC counterparty to exercise default rights against the covered FSI based on the entry into a resolution proceeding under the FDI Act, or any other resolution proceeding of an affiliate of the covered FSI. The final rule also amends the definition of "qualifying master netting agreement" in the FDIC's capital and liquidity rules, and certain related terms in the FDIC's capital rules. These amendments are intended to ensure that the regulatory capital and liquidity treatment of QFCs to which a covered FSI is party would not be affected by the restrictions on such QFCs. The final rule is effective on January 1, 2018, except for amendatory instruction #6 which is delayed indefinitely. Once OCC adopts its related final rule, FDIC will publish a document announcing the effective date of the amendatory instruction. See v. 82 Fed. Register, pages 50228-50268, October 30, 2017 ([FR Doc No 2017-21951](#)).

SECURITIES AND EXCHANGE COMMISSION: We are proposing amendments based on the recommendations made in the staff's Report on Modernization and Simplification of Regulation S-K, as required by Section 72003 of the Fixing America's Surface Transportation Act. The proposed amendments are intended to modernize and simplify certain disclosure requirements in Regulation S-K, and related rules and forms, in a manner that reduces the costs and burdens on registrants while continuing to provide all material information to investors. The amendments are also intended to improve the readability and navigability of disclosure documents and discourage repetition and disclosure of immaterial information. To provide for a consistent set of rules to govern incorporation by reference and hyperlinking, we are also proposing parallel amendments to several rules and forms applicable to investment companies and investment advisers, including proposed amendments that would require certain investment company filings to be submitted in HyperText Markup Language ("HTML") format. Comments should be received by January 2, 2018. See v. 82 Fed. Register, pages 50988-51049, November 2, 2017 ([FR Doc No 2017-22374](#)).

BUREAU OF FISCAL SERVICE – DEPARTMENT OF THE TREASURY: The Treasury Department announced a new fee schedule applicable to transfers of U.S. Treasury book-entry securities maintained on the National Book-Entry System (NBES) that occur on or after January 2, 2018. **DATES:** Applicable January 2, 2018. See v. 82 Fed. Register, pages 50221-50222, October 30, 2017 ([FR Doc No. 2017-23311](#)).

NATIONAL CREDIT UNION ADMINISTRATION: The NCUA Board proposes to amend its regulations regarding capital planning and stress testing for federally insured credit unions with \$10 billion or more in assets (covered credit unions). The proposal would reduce regulatory burden by removing some of the capital planning and stress testing requirements currently applicable to certain covered credit unions. The proposal would also make the NCUA's capital planning and stress testing requirements more efficient for covered credit unions and the NCUA by, among other things, authorizing credit unions to conduct their own stress tests in accordance with the NCUA's requirements and allowing those credit unions to incorporate the stress test results into their capital plan submissions. Comments must be received on or before December 29, 2017. See v. 82 Fed. Register, pages 50094-50101, October 30, 2017 ([FR Doc No 2017-23212](#)).

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.

This document is for information purposes only, and Federal Reserve staff members are not necessarily following any item listed.