Note: During the previous week the House and Senate were only in pro-forma sessions.

SELECTED PUBLIC LAW ENACTED:

PUBLIC LAW 115-171: On May 9, 2018, the President approved S. 447, the Justice for Uncompensated Survivors Today (JUST) Act of 2017, to require reporting on acts of certain foreign countries on Holocaust era assets and related issues (132 Stat. 1288; 2 pages).

SELECTED HOUSE AND SENATE FLOOR ACTIONS:


ON THE FLOOR OF THE HOUSE: On May 8, 2018, the House agreed to suspend the rules and pass the following measures: 1) Small Business Development Center Cyber Training Act: H.R. 3170, to amend the Small Business Act to require cyber certification for small business development center counselors; see v.164 Cong. Record, pages H3797–H3800 2) Change Order Transparency for Federal Contractors Act: H.R. 4754, to amend the Small Business Act to provide prospective construction contractors with information about an agency's policies on the administration of change orders to allow such contractors to make informed business decisions regarding the pricing of bids or proposals; pages H3800–01; 3) Women's Business Centers Improvements Act: H.R. 1680, amended, to amend the Small Business Act to improve the women's business center program; pages H3801–06; 4) Small Business Development Centers Improvement Act: H.R. 1702, amended, to amend the Small Business Act to improve the small business development centers program; pages H3806–08; 5) Spurring Business in Communities Act: H.R. 4111, to amend the Small Business Investment Act of 1958 to improve the number of small business investment companies in under-licensed States; pages H3808–10; 6) Main Street Employee Ownership Act of 2018: H.R. 5236, amended, to expand opportunities available to employee-owned business concerns through Small Business Administration loan programs; and pages H3810–12; and 7) Small Business 7(a) Lending Oversight Reform Act of 2018: H.R. 4743, amended, to amend the Small Business Act to strengthen the Office of Credit Risk Management within the Small Business Administration pages H3812–15, May 8, 2018.
ON THE FLOOR OF THE HOUSE: On May 9, 2018, the House passed the Standard Merger and Acquisition Reviews Through Equal Rules Act of 2018, the House passed H.R. 5645, to amend the Clayton Act and the Federal Trade Commission Act to provide that the Federal Trade Commission shall exercise authority with respect to mergers only under the Clayton Act and only in the same procedural manner as the Attorney General exercises such authority, by a yea-and-nay vote of 230 yeas to 185 nays, Roll No. 177. See v. Cong. Record, pages H3851–57, H3856–66, May 9, 2018.


ON THE FLOOR OF THE HOUSE: On May 9, 2018, the House passed the Citizens' Right to Know Act, H.R. 2152, to require States and units of local government receiving funds under grant programs operated by the Department of Justice, which use such funds for pretrial services programs, to submit to the Attorney General a report relating to such program, by a yea-and-nay vote of 221 yeas to 197 nays, Roll No. 175. See v. 164 Cong. Record, pages H3857–64, H3864–65, May 9, 2018.

SELECTED MEASURES REPORTED FROM COMMITTEE:

HOUSE COMMITTEE ON FINANCIAL SERVICES: On May 7, 2018, Chairman Hensarling, R-TX, filed a report to accompany H.R. 4738, a bill to amend the Investment Company Act of 1940 to provide complaint and burden of proof requirements for certain actions for breach of fiduciary duty (H. Rept. 115-662, Pt. 1). Referred to the Committee of the Whole House on the state of the Union.

HOUSE COMMITTEE ON FINANCIAL SERVICES: On May 7, 2018, Chairman Hensarling, R-TX, filed a report to accompany H.R. 4785, a bill to prohibit the consolidated audit trail from accepting personally identifying information, and for other purposes (H. Rept. 115-663). Referred to the Committee of the Whole House on the state of the Union.

HOUSE COMMITTEE ON FINANCIAL SERVICES: On May 10, 2018, Chairman Hensarling, R-TX, filed a report to accompany 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 (H. Rept. 115-668). Referred to the Committee of the Whole House on the state of the Union.

SENATE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS: On May 8, 2018, Chairman Johnson, R-WI, filed a report to accompany, without amendment, S. 2349, a bill to direct the Director of the Office of Management and Budget to establish an interagency working group to study Federal efforts to collect data on
SENATE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS: On May 8, 2018, Chairman Johnson, R-WI, filed a report to accompany, S. 2400, a bill to eliminate or modify certain audit mandates of the Government Accountability Office (S. Rept. No. 115-239).

SELECTED COMMITTEE ACTIONS/HEARINGS:

SENATE COMMITTEE ON FOREIGN RELATIONS: On May 9, 2018, the Subcommittee on Multilateral International Development, Multilateral Institutions, and International Economic, Energy, and Environmental Policy held and concluded a hearing to examine a multilateral and strategic response to international predatory economic practices, after receiving testimony from Michael Wessel, Commissioner, United States-China Economic and Security Commission; Matthew P. Goodman, Center for Strategic and International Studies, and Kimberly Glas, BlueGreen Alliance, both of Washington, D.C.; and Robert D. Atkinson, Information Technology and Innovation Foundation, Chevy Chase, Maryland.

SENATE COMMITTEE ON FOREIGN RELATIONS: On May 10, 2018, the Committee held and concluded a hearing to examine modernizing development finance, including S. 2463, to establish the United States International Development Finance Corporation, after receiving testimony from Ray W. Washburne, Overseas Private Investment Corporation, Daniel F. Runde, Center for Strategic and International Studies, and George M. Ingram, Brookings Institution, all of Washington, D.C.

HOUSE COMMITTEE ON THE JUDICIARY: On May 9, 2018, the full Committee held a markup on H.R. 5682, the “FIRST STEP Act” (to reduce recidivism); and H.R. 5698, the “Protect and Serve Act of 2018” (to punish the targeting of law enforcement officers). H.R. 5682 was ordered reported, as amended. H.R. 5698 was ordered reported, without amendment.

SELECTED MEASURES INTRODUCED IN THE HOUSE:

By Mr. CARBAJAL, D-CA:
H.R. 5670. A bill to amend the Securities Exchange Act of 1934 to direct the Securities and Exchange Commission to issue regulations to require public corporations to disclose political expenditures, and for other purposes; to the House Committee on Financial Services. Introduced May 1, 2018.

By Miss GONZALEZ-COLON, D-PR:
H.R. 5692. A bill to require financial institutions to deposit the principal amount of any unclaimed deposit held by such institutions into interest or dividend-bearing accounts, and for other purposes; to the Committee on Financial Services. Introduced May 7, 2018.
By Mr. McCARTHY, R-CA (for himself and nine cosponsors):  
**H.R. 3.** A bill to rescind certain budget authority proposed to be rescinded in special messages transmitted to the Congress by the President on May 8, 2018, in accordance with title X of the Congressional Budget and Impoundment Control Act 1974; to the Committee on Appropriations. Introduced May 9, 2018.

By Mr. POCAN, D-WI (for himself and 17 cosponsors):  
**H.R. 5728.** A bill to amend the National Labor Relations Act to establish an efficient system to enable employees to form, join, or assist labor organizations, and for other purposes; to the Committee on Education and the Workforce. Introduced May 9, 2018.

By Mr. HULTGREN, R-IL:  
**H.R. 5749.** A bill to require the appropriate Federal banking agencies to increase the risk-sensitivity of the capital treatment of certain centrally cleared options, and for other purposes; to the Committee on Financial Services. Introduced May 10, 2018.

By Mr. DUFFY, R-WI:  
**H.R. 5756.** A bill to require the Securities and Exchange Commission to adjust certain resubmission thresholds for shareholder proposals; to the Committee on Financial Services. Introduced May 10, 2018.

By Mr. HILL, R-AR (for himself and Rep. Foster, D-IL):  
**H.R. 5783.** A bill to provide a safe harbor for financial institutions that maintain a customer account at the request of a Federal or State law enforcement agency. Introduced May 11, 2018.

**SELECTED MEASURES INTRODUCED IN THE SENATE:**

By Mr. SANDERS, I-VT (for himself and 12 cosponsors):  
**S. 2810.** A bill to amend the National Labor Relations Act to establish an efficient system to enable employees to form, join, or assist labor organizations, and for other purposes; to the Committee on Health, Education, Labor, and Pensions. Introduced May 9, 2018.

By Mr. ENZI, R-WY:  
**S. 2816.** A bill to clarify that funding for the Securities Investor Protection Corporation is not subject to the sequester; to the Committee on the Budget. Introduced May 10, 2018.

By Ms. HARRIS, D-CA (for herself and three cosponsors):  
**S. 2829.** A bill to amend the Federal Reserve Act to require Federal Reserve banks to interview at least one individual reflective of gender diversity and one individual reflective of racial or ethnic diversity when appointing Federal Reserve bank presidents, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.
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).


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 final amendments to its Regulation A to revise the provisions regarding the establishment of the primary credit rate in a financial emergency and to delete the provisions relating to the use of credit ratings for collateral for extensions of credit under the former Term Asset-Backed Securities Loan Facility (TALF). The final amendments are intended to allow the regulation to address circumstances in which the Federal Open Market Committee (FOMC) has established a target range for the federal funds rate rather than a single target rate, and to reflect the expiration of the TALF program. The final rule is effective June 8, 2018. See v. 83 Fed. Register, pages 21167-21168, May 9, 2018 (FR Doc No 2018-09805).

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM: The Board is requesting comment on the benefits and drawbacks of a potential change to part II of the Federal Reserve Policy on Payment System Risk (PSR policy). The potential change would entail the Federal Reserve Banks (Reserve Banks) monitoring in real time all Fedwire Funds
transfers and rejecting those transfers that would breach the Fedwire sender's net debit cap, that is, the ceiling on its total daylight overdraft position that it is permitted to incur in its Federal Reserve account during any given day. If, after an evaluation of the public comments on this notice, the Board concludes that an expansion of real-time monitoring is desirable, the Board will request public comment on specific proposed changes to the PSR policy. Comments must be received by July 6, 2018. See v. 83 Fed. Register, pages 20074-20077, May 7, 2018 (FR Doc No 2018-09622).

BUREAU OF CONSUMER FINANCIAL PROTECTION: The Bureau of Consumer Financial Protection (Bureau) is amending Federal mortgage disclosure requirements under the Real Estate Settlement Procedures Act (RESPA) and the Truth in Lending Act (TILA) that are implemented in Regulation Z. The amendments relate to when a creditor may compare charges paid by or imposed on the consumer to amounts disclosed on a Closing Disclosure, instead of a Loan Estimate, to determine if an estimated closing cost was disclosed in good faith. The final rule is effective June 1, 2018. See v. 83 Fed. Register, pages 19159-19176, May 2, 2018 (FR Doc No 2018-09243).

SECURITIES AND EXCHANGE COMMISSION: The Commission is proposing to amend its auditor independence rules to refocus the analysis that must be conducted to determine whether an auditor is independent when the auditor has a lending relationship with certain shareholders of an audit client at any time during an audit or professional engagement period. The proposed amendments would focus the analysis solely on beneficial ownership rather than on both record and beneficial ownership; replace the existing 10 percent bright-line shareholder ownership test with a "significant influence" test; add a "known through reasonable inquiry" standard with respect to identifying beneficial owners of the audit client's equity securities; and amend the definition of "audit client" for a fund under audit to exclude funds that otherwise would be considered affiliates of the audit client. The Commission is also requesting comment on certain their potential amendments to its auditor independence rules. Comments should be received on or before July 9, 2018. See v. 83 Fed. Register, pages 20753-20773, May 7, 2018 (FR Doc No 2018-09721).

SECURITIES AND EXCHANGE COMMISSION: The SEC is proposing a new rule under the Securities Exchange Act of 1934 establishing a standard of conduct for broker-dealers and natural persons who are associated persons of a broker-dealer when making a recommendation of any securities transaction or investment strategy involving securities to a retail customer. Comments should be received on or before August 7, 2018. See v. 83 Fed. Register, pages 21574-21682, May 9, 2018 (FR Doc No 2018-08582).

SECURITIES AND EXCHANGE COMMISSION: The Commission is proposing new and amended rules and forms under both the Investment Advisers Act of 1940 and the Securities Exchange Act of 1934 to require registered investment advisers and registered broker-dealers to provide a brief relationship summary to retail investors to inform them about the relationships and services the firm offers, the standard of conduct and the fees and costs associated with those services, specified conflicts of interest, and whether the firm and its financial professionals currently have reportable legal or disciplinary events. Retail investors would receive a relationship summary at the beginning of a relationship with a firm, and would
receive updated information following a material change. The relationship summary would be subject to Commission filing and recordkeeping requirements. The Commission also is proposing two rules to reduce investor confusion in the marketplace for firm services, a new rule under the Exchange Act that would restrict broker-dealers and associated natural persons of broker-dealers, when communicating with a retail investor, from using the term "adviser" or "advisor" in specified circumstances; and new rules under the Exchange Act and Advisers Act that would require broker-dealers and investment advisers, and their associated natural persons and supervised persons, respectively, to disclose, in retail investor communications, the firm's registration status with the Commission and an associated natural person's and/or supervised person's relationship with the firm. Comments should be received on or before August 7, 2018. See v. 83 Fed. Register, pages 21416-21571, May 9, 2018 (FR Doc No 2018-08583).

SECURITIES AND EXCHANGE COMMISSION: The SEC has published for comment a proposed interpretation of the standard of conduct for investment advisers under the Investment Advisers Act of 1940. The Commission also is requesting comment on: Licensing and continuing education requirements for personnel of SEC-registered investment advisers; delivery of account statements to clients with investment advisory accounts; and financial responsibility requirements for SEC-registered investment advisers, including fidelity bonds. Comments should be received on or before August 7, 2018. See v. 83 Fed. Register, pages 21203-21214, May 9, 2018 (FR Doc No 2018-08679).

FEDERAL HOUSING FINANCE AGENCY: The FHFA has provided notice that it issued Orders, dated March 1, 2018, with respect to stress testing reporting as of December 31, 2017, under section 165(i)(2) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). Summary Instructions and Guidance accompanied the Orders to provide testing scenarios. The rule is effective April 30, 2018. Each Order is applicable March 1, 2018. See v. 83 Fed. Register, page 18727, April 30, 2018 (FR Doc No 2018-09072).

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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