

MEMORANDUM

To: Members of the Committee on Financial Services
From: FSC Majority Staff
Date: July 23, 2015
Subject: July 28, 2015, Full Committee Markup

The Committee on Financial Services will meet to mark up the following measures at 2:00 p.m. on Tuesday, July 28, 2015, and subsequent days if necessary, in room 2128 of the Rayburn House Office Building:

H.R. 766, the “Financial Institution Customer Protection Act of 2015”

Introduced by Representative Luetkemeyer, the Financial Institution Customer Protection Act of 2015 prohibits a federal banking agency from formally or informally suggesting, requesting, or ordering that a depository institution terminate either a specific customer account, or group of customer accounts, or otherwise restricting or discouraging the institution from entering into or maintaining a banking relationship with a specific customer or group of customers, unless: (1) the agency has a material reason to do so, and (2) the reason is not based solely on reputation risk. The bill would also curb abuses of the Financial Institutions Reform, Recovery and Enforcement Act of 1989.

H.R. 1210, the “Portfolio Lending and Mortgage Access Act”

Introduced by Representative Barr, the Portfolio Lending and Mortgage Access Act amends Section 129C of the Truth in Lending Act (TILA) [15 U.S.C. 1639c] to create a safe harbor from lawsuit for a depository institution that fails to comply with ability-to-repay requirements with respect to a residential mortgage loan made and held on its balance sheet.

H.R. 1317, to amend the Commodity Exchange Act and the Securities Exchange Act of 1934 to specify how clearing requirements apply to certain affiliate transactions, and for other purposes

Introduced by Representatives Gwen Moore, Steve Stivers, Marcia Fudge and Chris Gibson, H.R. 1317 exempts inter-affiliate swaps and security-based swap trades executed by the central treasury units of commercial end-users and their affiliates from many of the regulations prescribed by Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The bill excludes financial companies from this exemption. Inter-affiliate swaps are swaps and security-based swaps executed between entities under common corporate ownership. Similar legislation, H.R. 5471, passed the House by voice vote in December 2014.

H.R. 1553, the “Small Bank Exam Cycle Reform Act of 2015”

Introduced by Representative Tipton, the Small Bank Exam Cycle Reform Act of 2015 amends the Federal Deposit Insurance Act to increase the qualifying asset threshold for insured depository institutions eligible for 18-month on-site examination cycles from \$500 million to \$1 billion.

H.R. 1737, the “Reforming CFPB Indirect Auto Financing Guidance Act”

Introduced by Representative Guinta, the Reforming CFPB Indirect Auto Financing Guidance Act would repeal Consumer Financial Protection Bureau (CFPB) Bulletin 2013-02 (Indirect Auto Lending and Compliance with the Equal Credit Opportunity Act), published on March 21, 2013. The bill would also require the CFPB to follow a transparent process when issuing subsequent auto finance guidance.

H.R. 1839, the “Reforming Access for Investments in Startup Enterprises Act of 2015”

Introduced by Representative McHenry, H.R. 1839, the Reforming Access for Investments in Startup Enterprises Act of 2015 (the “RAISE” Act), would amend Section 4 of the Securities Act of 1933 to increase market liquidity and resolve legal uncertainty that impedes employees of private companies from selling their company-issued securities. Currently, a holder of securities issued in a private placement may resell the securities on a public market after a holding period. However, there is not a similar law for the private resale of restricted securities. Accordingly, this bill would codify a legal framework for these transactions to facilitate private company capital formation.

H.R. 1941, the “Financial Institutions Examination Fairness and Reform Act”

Introduced by Representative Westmoreland, the Financial Institutions Examination Fairness and Reform Act would establish reasonable deadlines within which regulatory agencies must hold exit interviews and issue final examination reports. The bill would also provide supervised financial institutions the right to have material supervisory

determinations reviewed by a newly created Independent Examination Review Director within the Federal Financial Institutions Examination Council (FFIEC).

H.R. 2091, the “Child Support Assistance Act of 2015”

Introduced by Representative Poliquin, the Child Support Assistance Act of 2015 would amend the Fair Credit Reporting Act to eliminate the requirement that state and local child support agencies and courts notify an obligor ten days before retrieving a consumer report for purposes of determining the appropriate level of child support payments, or enforcing a child support order, award, agreement, or judgment.

H.R. 2243, the “Equity in Government Compensation Act of 2015”

Introduced by Representative Ed Royce, H.R. 2243, the Equity in Government Compensation Act of 2015, would cap executive salaries at the government sponsored enterprises (GSEs), Fannie Mae and Freddie Mac. The bill ensures that any executive at the GSEs are paid no higher than the highest paid employee at the Federal Housing Finance Agency. The bill also places non-executive GSE employees on the General Schedule pay scale.

H.R. 2643, the “State Licensing Efficiency Act of 2015”

Introduced by Representative Williams, the State Licensing Efficiency Act of 2015 amends the S.A.F.E. Mortgage Licensing Act of 2008 to ensure that state regulators may use the Nationwide Multistate Licensing System and Registry to process criminal history background checks through the FBI for financial services applicants other than Mortgage Loan Originators.

H.R. 2912, the “Centennial Monetary Commission Act of 2015”

Introduced by Representative Brady of Texas, H.R. 2912, the Centennial Monetary Commission Act of 2015, establishes the Centennial Monetary Commission to study monetary policy including, among other topics, (1) the historical monetary policy of the Federal Reserve; (2) the various operational regimes under which the Federal Reserve may conduct monetary policy; (3) the use of macro-prudential supervision and regulation as a tool of monetary policy; and (4) the Lender-of-Last-Resort function. The Commission is also charged with recommending a course of United States monetary policy going forward and must report to Congress with its findings, conclusions, and recommendations by December 1, 2016.

The Commission is empowered to hold hearings, take testimony, receive evidence, and administer oaths. The Commission is also authorized to obtain official data from Executive Branch agencies.

H.R. 3032, the “Securities and Exchange Commission Reporting Modernization Act”

Introduced by Representatives Kyrsten Sinema and Robert Hurt, H.R. 3032, the Securities and Exchange Commission Reporting Modernization Act, would eliminate a reporting requirement applicable only to the SEC and previously repealed for all other federal agencies.

H.R. 3189, the “Fed Oversight Reform and Modernization Act of 2015”

Introduced by Representative Huizenga, H.R. 3189, the Fed Oversight Reform and Modernization Act of 2015, requires the Federal Reserve to clearly explain differences between the actual course of monetary policy and a reference policy rule.

H.R. 3189 also requires the Federal Reserve to conduct cost-benefit analysis when it adopts new rules. The bill enhances the Federal Reserve’s accountability to Congress in the conduct of regulatory policy and requires transparency about the Federal Reserve’s bank stress tests and about international financial regulatory negotiations conducted by the Federal Reserve, the Treasury Department, the Office of the Comptroller of the Currency, the Securities and Exchange Commission, and the Federal Deposit Insurance Corporation. The bill further requires the Federal Reserve to disclose the salaries of highly paid employees, provides for at least two staff positions to advise each member of the Board of Governors, and requires Fed employees to abide by the same ethical requirements as other federal financial regulators.

H.R. 3189 reforms the “blackout period” governing when Federal Reserve Governors and employees may publicly speak on certain matters; alters the voting membership of the Federal Open Market Committee (FOMC); and reforms the Federal Reserve’s emergency lending powers under Section 13(3) of the Federal Reserve Act. Finally, the bill requires that the FOMC set interest rates on balances maintained at a Federal Reserve Bank by a depository institution and enhances the Government Accountability Office’s authority to audit Federal Reserve operations.

H.R. 3192, the “Homebuyers Assistance Act”

Introduced by Representative Hill, the Homebuyers Assistance Act would provide a temporary legal safe harbor (until February 1, 2016) from enforcement of the Consumer Financial Protection Bureau’s TILA-RESPA Integrated Disclosure Rule set to take effect October 3, 2015, as long as a good faith effort is made to comply with the rule.