

112TH CONGRESS
1ST SESSION

H. R. 1573

To facilitate implementation of title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, promote regulatory coordination, and avoid market disruption.

IN THE HOUSE OF REPRESENTATIVES

APRIL 15, 2011

Mr. LUCAS (for himself, Mr. BACHUS, Mr. CONAWAY, and Mr. GARRETT) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Agriculture, 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

A BILL

To facilitate implementation of title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act, promote regulatory coordination, and avoid market disruption.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. EFFECTIVE DATES.**

4 Section 712(f) of the Dodd-Frank Wall Street Re-
5 form and Consumer Protection Act (Public Law 111–203)
6 is amended to read as follows:

1 “(f) RULES AND REGISTRATION BEFORE FINAL EF-
2 EFFECTIVE DATES.—

3 “(1) IN GENERAL.—Beginning on the date of
4 enactment of this Act and notwithstanding the effec-
5 tive date of any provision of this Act, the Com-
6 modity Futures Trading Commission and the Securi-
7 ties and Exchange Commission may, in order to pre-
8 pare for the effective dates of the provisions of this
9 Act—

10 “(A) promulgate rules, regulations, or or-
11 ders permitted or required by this Act;

12 “(B) conduct studies and prepare reports
13 and recommendations required by this Act;

14 “(C) register persons under the provisions
15 of this Act; and

16 “(D) exempt persons, agreements, con-
17 tracts, or transactions from provisions of this
18 Act, under the terms contained in this Act.

19 “(2)(A) Notwithstanding paragraph (1), an ac-
20 tion by the Commodity Futures Trading Commission
21 or the Securities and Exchange Commission de-
22 scribed in paragraph (1) shall not become effective
23 before the effective date applicable to the action
24 under this Act, except as provided in paragraph (3).

1 “(B) Notwithstanding any provision of this Act
2 (other than paragraph (3)), this title and the regula-
3 tions under this title shall become effective on the
4 latest of—

5 “(i) December 31, 2012;

6 “(ii) 90 days after the publication of the
7 relevant final rule or regulation in the Federal
8 Register or such later date as may be specified
9 in the final rule or regulation; or

10 “(iii) the effective date otherwise applicable
11 to this title.

12 “(3) EXCEPTIONS.—

13 “(A) CERTAIN DEFINITIONS.—Notwith-
14 standing any other provision of this Act, in
15 order to assist persons subject to this title in
16 coming into compliance with the provisions of
17 this title on a timely basis, the Commodity Fu-
18 tures Trading Commission and the Securities
19 and Exchange Commission, in consultation with
20 the Board of Governors, shall adopt definitions
21 further defining the terms specified in sub-
22 section (d)(1) not later than 360 days after the
23 date of the enactment of this Act. Such defini-
24 tions shall become effective 90 days after their
25 publication in the Federal Register.

1 “(B) REGULATORY REPORTING.—

2 “(i) SWAP DATA REPORTING.—Sec-
3 tions 2(h)(5) and 4r of the Commodity Ex-
4 change Act and the rules and regulations
5 of the Commodity Futures Trading Com-
6 mission issued under such sections shall
7 become effective on the later of—

8 “(I) 90 days after the publication
9 of the relevant final rule or regulation
10 in the Federal Register, or such later
11 date as may be specified in the final
12 rule or regulation; or

13 “(II) the effective date otherwise
14 applicable to such sections.

15 “(ii) SECURITY-BASED SWAP DATA
16 REPORTING.—Sections 3C(e) and 13A(a)
17 of the Securities Exchange Act of 1934
18 and the rules and regulations of the Secu-
19 rities and Exchange Commission issued
20 under such sections shall become effective
21 on the later of—

22 “(I) 90 days after the publication
23 of the relevant final rule or regulation
24 in the Federal Register, or such later

1 date as may be specified in the rule or
2 regulation; or

3 “(II) the effective date otherwise
4 applicable to such sections.

5 “(iii) SWAP DATA REPOSITORIES.—To
6 facilitate compliance, before December 31,
7 2012, with the regulatory reporting provi-
8 sions of this section, the Commodity Fu-
9 tures Trading Commission and the Securi-
10 ties and Exchange Commission may au-
11 thorize the reporting of swap data and se-
12 curity-based swap data to any person then
13 conducting the business described in sec-
14 tion 1a(48) of the Commodity Exchange
15 Act (7 U.S.C. 1a(48)) or section 3(a)(75)
16 of the Securities Exchange Act of 1934
17 (15 U.S.C. 78m), respectively, who has—

18 “(I) provided notice to the rel-
19 evant Commission of its intention to
20 register as a swap data repository or
21 security-based swap data repository,
22 as applicable; and

23 “(II) made such undertakings to
24 the relevant Commission as such
25 Commission has determined to be ap-

1 appropriate and in the public interest,
2 consistent with this title.”.

3 **SEC. 2. IMPLEMENTATION ANALYSIS.**

4 Section 712 of the Dodd-Frank Wall Street Reform
5 and Consumer Protection Act (Public Law 111–203), as
6 amended by section 1 of this Act, is amended by adding
7 at the end the following:

8 “(g) IMPLEMENTATION ANALYSIS.—Notwithstanding
9 any other provision of this title, the Commodity Futures
10 Trading Commission and the Securities and Exchange
11 Commission shall, before prescribing final rules and regu-
12 lations under this title—

13 “(1) conduct public hearings and roundtables
14 and take testimony of affected market participants,
15 experts and other interested parties, and solicit pub-
16 lic comment, regarding—

17 “(A) the time and resources that would be
18 required of affected parties in order to develop
19 systems and infrastructure necessary to comply
20 with any rules and regulations proposed or then
21 contemplated by the relevant Commission;

22 “(B) any alternative approaches capable of
23 accomplishing the relevant Commission’s rule-
24 making objectives; and

1 “(C) the time and resources that would be
2 required of affected parties in order to develop
3 policies and procedures designed to comply with
4 any rules and regulations proposed or then con-
5 templated by the relevant Commission, and

6 “(2) take such testimony and comment into ac-
7 count in—

8 “(A) performing the cost-benefit analysis
9 required under Federal law in connection with
10 its adoption of the relevant final rules and regu-
11 lations; and

12 “(B) determining the effective date of the
13 relevant final rules and regulations.”.

14 **SEC. 3. REGULATORY COORDINATION.**

15 (a) **COMMODITY FUTURES TRADING COMMISSION.**—
16 Section 2(a)(1) of the Commodity Exchange Act (7 U.S.C.
17 2(a)(1)) is amended by adding at the end the following:

18 “(J)(i) Notwithstanding any other provi-
19 sion of this Act, the Commission may exempt,
20 in whole or in part, a person from the registra-
21 tion and related regulatory requirements of this
22 Act if and to the extent that the Commission
23 determines that—

24 “(I) the person is subject to com-
25 prehensive supervision and regulation

1 under a regulatory scheme administered by
2 another regulatory authority or the appro-
3 priate governmental authorities in the per-
4 son's home country that is comparable to
5 the relevant provisions of this Act,

6 “(II) adequate information-sharing
7 arrangements are in effect between the
8 Commission and the other regulatory au-
9 thority, and

10 “(III) the exemption would be con-
11 sistent with the public interest.

12 “(ii) The Commission may condition any
13 such exemption on compliance with all or any
14 part of the alternate regulatory scheme, and on
15 such other terms as the Commission determines
16 appropriate, and may deem any noncompliance
17 with the alternate regulatory scheme or other
18 terms a violation of the corresponding provi-
19 sions of this Act.”.

20 (b) SECURITIES AND EXCHANGE COMMISSION.—The
21 Securities Exchange Act of 1934 (15 U.S.C. 78m) is
22 amended by inserting after section 4C the following:

23 **“SEC. 4D. EXEMPTIVE AUTHORITY.**

24 “(a) Notwithstanding any other provision of this Act,
25 the Commission may exempt, in whole or in part, a person

1 from the registration and related regulatory requirements
2 of this Act if and to the extent that the Commission deter-
3 mines that—

4 “(1) the person is subject to comprehensive su-
5 pervision and regulation under a regulatory scheme
6 administered by another regulatory authority or the
7 appropriate governmental authorities in the person’s
8 home country that is comparable to the relevant pro-
9 visions of this Act;

10 “(2) adequate information-sharing arrange-
11 ments are in effect with the other regulatory author-
12 ity; and

13 “(3) the exemption would be consistent with the
14 protection of investors.

15 “(b) The Commission may condition any such exemp-
16 tion on compliance with all or any part of the alternate
17 regulatory scheme, and such other terms as the Commis-
18 sion determines appropriate, and may deem any non-
19 compliance with the alternate regulatory scheme or other
20 terms a violation of the corresponding provisions of this
21 Act.”.

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