

FLOOR SCHEDULE FOR WEDNESDAY, FEBRUARY 14, 2018

HOUSE MEETS AT:	FIRST VOTE PREDICTED:	LAST VOTE PREDICTED:
10:00 a.m.: Morning Hour 12:00 p.m.: Legislative Business  Fifteen "One Minutes"	1:30 – 2:30 p.m.	4:45 – 5:45 p.m.

**H.Res. 736** – Rule providing for consideration of H.R. 3978 – TRID Improvement Act of 2017, Rules Committee Print (Rep. Hill – Financial Services), H.R. 3299 – Protecting Consumers’ Access to Credit Act of 2017 (Rep. McHenry – Financial Services), and H.R. 620 – ADA Education and Reform Act of 2017 (Rep. Poe – Judiciary) (One hour of debate). The Rules Committee has recommended one Rule which would provide for consideration of three bills.

For H.R. 3978, the Rules Committee has recommended a structured Rule that provides for one hour of general debate equally divided and controlled by the Chair and Ranking Member of the Committee on Financial Services. The Rule provides for consideration of 1 amendment, debatable for 10 minutes, equally controlled by the proponent and opponent of the amendment. The Rule allows one motion to recommit, with or without instructions, and waives all points of order against the legislation.

For H.R. 3299, the Rules Committee has recommended a closed Rule that provides for one hour of general debate equally divided and controlled by the Chair and Ranking Member of the Committee on Financial Services. The Rule allows one motion to recommit and waives all points of order against the legislation.

For **H.R. 620**, the Rules Committee has recommended a structured Rule that provides for one hour of general debate equally divided and controlled by the Chair and Ranking Member of the Committee on the Judiciary. The Rule provides for consideration of 7 amendments, each debatable for 10 minutes, equally controlled by the proponent and opponent of the amendment. The Rule allows one motion to recommit, with or without instructions, and waives all points of order against the legislation.

The Rule self-executes an amendment to H.R. 3978 by Rep. Hill to reduce the amount of money that the Security and Exchange Committee (SEC) can deposit in its "Reserve Fund" to a maximum of \$48 million for the current fiscal year (FY 2018) and direct any amounts that exceed that limitation from the SEC to the Treasury General Fund, and strike Title VI. **Members are urged to VOTE NO.**

**H.R. 3299** – Protecting Consumer Access to Credit Act of 2017 (Rep. McHenry – Financial Services) (One Hour of Debate). This measure proposes to overturn a decision of the Second Circuit Court of appeals and permit nonbank financial institutions to charge interest rates that exceed certain state caps if a national bank makes a valid loan and then sells or transfers the loan to a nonbank.

**Bill Text for H.R. 3299:**

[PDF Version](#)

**Background for H.R. 3299:**

[House Report \(HTML Version\)](#)

[House Report \(PDF Version\)](#)

**H.R. 3978** – TRID Improvement Act of 2017, Rules Committee Print (Rep. Hill – Financial Services) (One Hour of Debate). This measure is effectively a "FSC omnibus" that combines the base bill – a bipartisan bill that was reported by FSC, 53-5 – with five additional and unrelated measures of varying degrees of controversy. By combining six unrelated bills, the Republicans are depriving Members of clean up-or-down votes on important matters affecting the financial industry and consumers of financial products. The six bills combined into H.R. 3978 are:

Title I: TRID Improvement (H.R. 3978): Under current law, the CFPB requires mortgage lenders to disclose certain information regarding home loan terms and costs to consumers at the beginning and closing of mortgage transactions. The rule governing this disclosure is called the "TRID Rule," which stands for the awkwardly-named "Truth In Lending Lending Act-Real Estate Settlement Procedures Act Integrated Disclosure Rule." H.R. 3978 would direct the CFPB to require mortgage lenders to disclose discounted rates that are available to consumers for title insurance premiums and to itemize all actual charges imposed on borrowers in the closing documents for mortgages.

Title II: Protection of Source Code ([H.R. 3948](#)): would require the SEC to issue a subpoena before it could compel people or entities that are regulated under various securities laws to provide their trading source code to the agency. H.R. 3948 would severely hamper the ability of the SEC to effectively conduct compliance examinations and investigate computer-driven market disruptions. Specifically, this bill imposes an overly broad and unwarranted subpoena requirement before SEC staff could inspect a wide array of routine business records involving source code and related information. Although H.R. 3948 is offered under the guise of due process and intellectual property protections, the bill would help hedge funds and other securities traders avoid regulatory oversight of their potentially disruptive automated trading systems.

Title III: Fostering Innovation ([H.R. 1645](#)): would amend Section 404(b) of Sarbanes-Oxley, enacted in 2002 in the wake of massive accounting scandals, which requires companies that issue stock to file with the SEC assessments of their internal control structures and procedures for financial reporting and have those reports be attested to and covered in an audit report. Companies have contended since 2002 that the costs of complying with the provision have been high. To address this concern, the 2012 Jumpstart Our Business Startups Act ("JOBS Act,") exempted companies with annual revenue and debt issuance under specified thresholds from the requirement to have an auditor's attestation as part of their internal control reports for up to 5 years after their first sale of shares. H.R. 1645 would increase that maximum exemption period to 10 years, provided they have less than \$50 million in revenues and less than \$700 million in "public float" (the portion of a company's shares that are in the hands of public investors as opposed to stock held by promoters or company officers).

Title IV: National Security Exchange Regulatory Parity ([H.R. 4546](#)): Current securities law exempts certain "covered securities" from state-level protections against fraud and abuse, but only when these securities meet listing standards imposed by "the gold standard" of national exchanges, specifically the New York Stock Exchange, Nasdaq, or the American Stock Exchange (now NYSE AMEX). The exemption's intent is to provide uniform national treatment for stocks of established companies that trade in national markets, while retaining state oversight of smaller, more obscure offerings. H.R. 4546 is a backdoor attempt to broadly preempt state oversight of smaller, more obscure offerings by ending the requirement that companies meet robust listing standards comparable to those of leading national exchanges in order to be deemed "covered securities." In place of this requirement, H.R. 4546 would condition the definition solely on listing on any exchange approved by the SEC. Although the NYSE and Nasdaq are the biggest and best known securities exchanges in the U.S., over the past several years there has been a proliferation of smaller and more specialized securities exchanges (21 at last count), with listing standards specifically designed for the types of smaller offerings that current law contemplates being subject to state review. If this measure is enacted, investors could be left without the protections afforded by state oversight, without the protections afforded by high listing standards, and without any reasonable hope that the SEC will be able to provide effective oversight at the federal level.

Title V: Eliminating Barriers to Jobs for Loan Originators ([H.R. 2948](#)): This measure proposes to amend the Secure and Fair Enforcement (SAFE) Mortgage Licensing Act of 2008 to provide up to 120 days for licensed mortgage originators to begin work in a new state or under a new employer (if the new employer is a state-licensed mortgage company) until a new license is issued.

Title VI: Financial Stability Oversight Council Improvement ([H.R. 4061](#)): The measure would make it harder for the Financial Stability Oversight Council (FSOC), a federal oversight body established by Dodd-Frank to assess risk in large financial companies, to designate non-bank financial companies, primarily large insurance companies, as "systemically important financial institutions (SIFIs)." As is well documented, insurance companies like AIG significantly contributed to the 2008 financial crisis. Current procedures provided in Dodd-Frank give FSOC the discretion to designate large and complex nonbank financial companies as SIFIs. Dodd-Frank also gives FSOC authority to remove the SIFI designation from nonbank financial companies as conditions warrant. This provision, if enacted, would simply make it easier for FSOC to determine a large financial company with complicated and potentially risky relationships and business lines is not a SIFI. **Members are urged to VOTE NO.**

The Rules provides for one hour of general debate and provides for consideration of 1 amendment. The amendment is:

**Foster Amendment.** Clarifies that the requirement in Title II applies only to proprietary source code related to algorithmic trading, which contains prescriptive information.

## Postponed Suspensions (2 bills)

1. [H.Res. 129](#) – Calling on the Department of Defense, other elements of the Federal Government, and foreign governments to intensify efforts to investigate, recover, and identify

all missing and unaccounted-for personnel of the United States, as amended (Rep. Johnson (TX) – Foreign Affairs)

2. [H.R. 3542](#) – Hamas Human Shields Prevention Act, as amended (Rep. Wilson (SC) – Foreign Affairs)

## **TOMORROW'S OUTLOOK**

The GOP Leadership has announced the following schedule for Thursday, February 15: The House will meet at 9:00 a.m. for legislative business. The House is expected to complete consideration of H.R. 620 – ADA Education and Reform Act of 2017 (Rep. Poe – Judiciary).

### **The Daily Quote**

"In a year of controlling power in Washington, President Trump and Republicans in Congress have run up federal spending, approved deficit-swelling tax cuts and presided over a marked increase in 'policy uncertainty' in the economy. They still talk about the importance of fiscal discipline, but they have yet to enforce it. The \$4.4 trillion budget Mr. Trump released on Monday spends as much over 10 years as any budget offered by President Barack Obama, whose policies Republicans blamed for ballooning the size of the federal government and hobbling the economy. It does not attempt to achieve balance at the end of that time, despite optimistic economic growth projections that far exceed what most economists say is possible. Instead, it projects that deficits will grow \$7 trillion over the next decade as the United States continues borrowing huge sums of money — a number that could double if the administration turns out to be overestimating economic growth."

- New York Times, 2/13/2018