

## FLOOR SCHEDULE FOR TUESDAY, MAY 22, 2018

HOUSE MEETS AT:	FIRST VOTE PREDICTED:	LAST VOTE PREDICTED:
<b>10:00 a.m.: Morning Hour</b> <b>11:00 a.m.: Legislative Business</b>  <b>Fifteen "One Minutes"</b>	<b>12:30 – 1:30 p.m.</b>	<b>4:45 – 5:45 p.m.</b>

**[H.Res. 905](#) – Rule providing for consideration of S. 2155 – Economic Growth, Regulatory Relief, and Consumer Protection Act (Sen. Crapo – Financial Services), S. 204 – Trickett Wendler, Frank Mongiello, Jordan McLinn, and Matthew Bellina Right to Try Act (Sen. Johnson – Energy and Commerce) and H.R. 5515 – National Defense Authorization Act for Fiscal Year 2019 (Rep. Thornberry – Armed Services).** The Rules Committee has recommended one Rule which would provide for consideration of three bills.

For S. 2155, 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 S. 204, 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 Energy and Commerce. The Rule allows one motion to recommit and waives all points of order against the legislation.

For H.R. 5515, the Rule provides for one hour of general debate, equally divided between the Chair and Ranking Member of the Committee on Armed Services. The Rule provides for consideration of 103 amendments, each debatable for 10 minutes, equally controlled by the proponent and opponent of the amendment.

The Rule also provides the Chairman of the Committee on Armed Services authority to offer amendments en bloc, consisting of amendments not previously considered. All en bloc amendments are debatable for 20 minutes equally divided between the Chair and Ranking Member of the committee on Armed Services.

A second Rule providing for additional amendments to H.R. 5515 is expected to be considered on the Floor tomorrow.

The Rule provides that the motion to reconsider the vote on the question of passage of **[H.R. 2](#)** (Agriculture and Nutrition Act of 2018) may continue to be postponed through the legislative day of Friday, June 22, 2018.

The Rules Committee rejected a motion by Mr. McGovern of Massachusetts to strike section 7 of the rule, relating to the postponement of the motion to reconsider H.R. 2. **Members are urged to VOTE NO.**

**[S. 2155](#) – Economic Growth, Regulatory Relief, and Consumer Protection Act (Sen. Crapo – Financial Services) (One hour of debate).** This bill, which the Senate passed on March 14, 67-31, with 16 Democrats and 1 Independent supporting, proposes to relax or provide exemptions to numerous provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd Frank Act) and other laws governing regulation of the financial industry.

Although S. 2155 supporters are emphasizing the bill's provisions giving regulatory relief to community banks – an objective Democrats share – in actual fact S. 2155 proposes to rollback and weaken the regulatory framework for all banks, both small depository institutions with assets under \$10 billion (community banks) and large banks with assets over \$50 billion and up to as much as \$2.5 trillion. Moreover, S. 2155 would make changes to consumer mortgage and credit-reporting regulations and to the authorities of the agencies that regulate the financial industry.

No one can deny that the financial crisis of 2007-2009 revealed that excessive risk had built up in the financial system, or that systemic weaknesses in federal regulation contributed to that buildup. The result was the worst global financial crisis since 1929. Among the key protections enacted by law or adopted through regulation in the wake of the 2008 financial crisis that S. 2155 would roll back are:

**Home Mortgage Disclosure Act:** The 1975 Home Mortgage and Disclosure Act (HMDA), as amended by Dodd-Frank, requires most financial institutions to maintain, report, and publicly disclose information about mortgages they originate to ensure they are not engaged in discriminatory lending practices, among other purposes. This HMDA data—which is information that banks [already collect](#) as part of the mortgage underwriting process—is especially important in helping detect and combat redlining in communities across the country, even in communities where banks pass their Community Reinvestment Act (CRA) exams. S. 2155 would exempt depository institutions who originate less than 500 mortgages or home equity lines of credit, 85% of all depository institutions, from the enhanced HMDA reporting requirements that are essential for shedding light on the kinds of discriminatory lending that might otherwise fly under the radar. This change will make it harder to combat redlining and to detect fair lending violations, as HMDA data are routinely used by the Department of Justice, the Consumer Bureau, and others to identify and bring cases against institutions for discrimination.

**Systematically Important Financial Institutions:** To protect taxpayers from having to come to the rescue of a large bank whose failure could cascade through the U.S. and global financial system, as happened in 2008, Dodd-Frank mandates that banks with assets over \$50 billion be automatically designated as Systemically Important Financial Institutions (SIFIs) subject to enhanced prudential regulation by federal financial regulators. The purpose of the automatic SIFI designation is to prevent the failure of any institution from threatening the US economy. Under Dodd-Frank, the Federal Reserve is automatically required to apply several safety and soundness requirements (e.g. higher capital, liquidity, living wills, etc.), known as “enhanced prudential standards,” to the largest banks that are more stringent than those applied to smaller banks. S. 2155 proposes to dramatically raise the threshold for automatic SIFI designation from \$50 billion to \$250 billion in assets. The effect of the bill's changes would be to reduce from 38 to only 13 the number of large banks automatically subject to enhanced prudential regulation, increasing the risk that U.S. banks with total assets between \$50 billion and \$250 billion and even larger foreign banks that operate in the U.S. will engage in risky practices that come to light only after it is too late to take corrective action and another crisis threatens the economy.

**Stress Testing of Large Banks:** S. 2155 proposes to curtail mandatory company-run and supervisory stress testing for the largest banks, a central pillar of Dodd-Frank, by sharply increasing the asset thresholds for mandatory company-run stress tests from \$10 billion to \$250 billion and giving regulators the discretion to reduce the frequency of company-run stress tests and supervisory stress tests for banks with \$100 billion to \$250 billion, reducing the frequency of supervisory stress tests for banks between \$100 billion and \$250 billion, and even reducing the frequency of company-run stress tests and supervisory stress test scenarios for \$2 trillion banks. Bank stress tests are a common sense, transparent and critical tool intended to estimate a large bank's ability to withstand an economic crisis and identify for banking regulators and bank executives weaknesses in a large bank's balance sheet that can be corrected before they become a threat to the bank or the financial system.

**Bank Capital requirements.** A central lesson of the 2007-08 financial crisis was that seemingly well-run and well-capitalized financial institutions underestimated the risk of their assets and therefore the amount of capital they needed to have on hand to absorb losses when the financial crisis deepened. Dodd Frank created a capital regime to ensure that banks of all sizes maintain sufficient capital to withstand steep losses. S. 2155 proposes to change how certain banks calculate the amount of capital they must have on hand, the effect of which will be to reduce the amount of capital they must have and increasing the failure and bailout risk of many of large banks. The bill's changes are on top of the Federal Reserve and OCC's recent proposal to reduce capital requirements for the largest banks by more than \$120 billion, according to the FDIC.

S. 2155 is a solution in search of a problem. Bank profits and lending are both at all-time highs. Indeed, the banking industry broke records by making annual profits of more than \$163 billion in each of the last three years, compared to \$87 billion made in 2010. Bank lending to businesses has increased 80% since Dodd-Frank became law, and only 2% of small businesses identified borrowing as a key concern.

If enacted, S. 2155 could make the U.S. financial system more vulnerable to another financial crisis, potentially forcing taxpayers to bail out banks, as they did during the 2008 Great Recession. The failure of several of these banks during a period of significant stress in the financial sector could threaten financial stability and starve the economy of the credit and financial intermediation it needs to thrive.

House Democrats stand ready to work with House Republicans to enact sensible and targeted changes to Dodd-Frank that would help make community banks more nimble and impose fewer regulatory requirements on them, including less frequent exams, fewer reporting obligations, and exemption of mortgages they originate and hold on portfolio from mortgage rules adopted by the Consumer

Financial Protection Bureau in 2013. Unfortunately, S. 2155 proposes changes far beyond what is needed to help community banks. **Members are urged to VOTE NO.**

**S. 204 – Trickett Wendler, Frank Mongiello, Jordan McLinn, and Matthew Bellina Right to Try Act (Sen. Johnson – Energy and Commerce) (One hour of debate).** This bill is similar to a bill that failed the House under suspension (that vote can be found [here](#)) and passed under a rule in March (that vote can be found [here](#)). The main difference between the House and Senate versions is the House bill contained some additional safeguards and maintained a narrow role for the FDA.

S. 204, like the earlier passed House version, threatens to undermine the drug development process and subject patients to serious risk of harm. Proponents of the bill argue that it will enable seriously ill patients to access unapproved, experimental drugs that could be potentially life-saving. However, the FDA already has an “expanded access” program in place to enable terminally ill patients to access investigational drugs. Under the expanded access program, 99.7% of all expanded access requests for patients with immediately life-threatening illnesses are approved by the FDA. Often when patients are denied access to these treatments it is due to the lack of availability of the drug or a pharmaceutical company’s concern about dangerous side effects. This bill will do nothing to compel manufacturers to provide drugs to these patients.

This bill would also weaken FDA’s ability to oversee adverse events or other clinical outcomes from the use of an investigational drug and provide broad liability protections for manufacturers and health care providers—leaving patients with no recourse in the case of an adverse event. This unnecessary legislation ultimately seeks to undermine the FDA’s authority to ensure safety and efficacy in the nation’s drug supply while providing false hope to patients. **Members are urged to VOTE NO.**

**Begin Consideration of H.R. 5515 – National Defense Authorization Act for Fiscal Year 2019 (Rep. Thornberry – Armed Services) (One hour of debate).** The bill would provide for the authorization of funding for the Department of Defense and other related agencies, programs, and operations for Fiscal Year 2019. It authorizes approximately \$639.1 billion for base budget requirements and an additional \$69 billion designated for Overseas Contingency Operations (OCO). The funding level in the bill is consistent with the Budget Control Act Cap deal reached in February.

The bill supports a 2.6 percent pay increase for military personnel. It maintains the current restriction on domestic transfers of Guantanamo detainees and prevents the use of funds for construction or modification of U.S. facilities to house Guantánamo detainees. The bill provides for \$6.3 billion for the European Deterrence Initiative and extends the authorization for the Ukraine Security Assistance Initiative.

The bill includes a provision banning government agencies from using or procuring technology made by ZTE, a large electronics maker in China. It also renews the authority to provide assistance to counter the Islamic State of Iraq and Syria through 2020 and authorizes \$850 million for such assistance in Iraq in FY 2019.

**\*\*Following last votes, the House is expected to complete general debate and begin amendment debate. Any recorded votes requested will be postponed. A full list of the 103 amendments can be found [HERE](#).**

**Bill Text for H.R. 5515:**

[PDF Version](#)

**Background for H.R. 5515:**

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

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

## **Suspensions (3 bills)**

1. [H.R. 5682](#) – FIRST STEP Act (Rep. Collins (GA) – Judiciary)
2. [H.Con.Res. 113](#) – Authorizing the use of the Capitol Grounds for the Greater Washington Soap Box Derby (Rep. Hoyer – Transportation and Infrastructure)
3. [S. 292](#) – Childhood Cancer Survivorship, Treatment, Access, and Research Act of 2018 (Sen. Reed – Energy and Commerce)

## **TOMORROW’S OUTLOOK**

The GOP Leadership has announced the following schedule for Wednesday, May 23: The House will meet at 12:00 p.m. for legislative business. The House is expected to continue consideration of H.R.



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5515 – National Defense Authorization Act for Fiscal Year 2019 (Rep. Thornberry – Armed Services)  
(Subject to a Rule).

## The Daily Quote

"It's raining buybacks: Corporate America is throwing a record-setting party for shareholders. S&P 500 companies showered Wall Street with at least \$178 billion of stock buybacks during the first three months of 2018, according to Howard Silverblatt of S&P Dow Jones Indices... That's a 34% bump from last year and tops the prior record of \$172 billion set in 2007, just prior to the start of the Great Recession... The buyback bonanza occurred during the first full quarter after President Donald Trump signed into law a massive corporate tax cut that was supposed to lift business spending on job-creating investments... Companies have not significantly boosted spending on equipment, factories and other investments that create jobs and boost wages."

- CNN Money, 5/20/2018