

MEMORANDUM

To: Members of the Committee on Financial Services

From: FSC Majority Staff

Date: May 19, 2023

Re: May 24, 2023, Full Committee Markup

On Wednesday, May 24, 2023, at 10:00 a.m. in Room 2128 of the Rayburn House Office Building, the Financial Services Committee will meet to markup the following measures:

1. H.R. 3556, the *Increasing Financial Regulatory Accountability and Transparency Act* (Barr)
2. H.R. 3564, the *Middle Class Borrower Protection Act of 2023* (Davidson)
3. H.R. 2622, a bill to amend the *Investment Advisers Act of 1940* to codify certain Securities and Exchange Commission no-action letters that exclude brokers and dealers compensated for certain research services from the definition of investment adviser, and for other purposes (Sessions)
4. H.R. 1553, the *Helping Angels Lead Our Startups (HALOS) Act* (Lawler)
5. H.R. 3063, the *Retirement Fairness for Charities and Educational Institutions Act* (Lucas)
6. H.R. 2627, the *Increasing Investor Opportunities Act* (Wagner)

1. H.R. 3556, the *Increasing Financial Regulatory Accountability and Transparency Act* (Barr)

H.R. 3556, the *Increasing Financial Regulatory Accountability and Transparency Act*, will be introduced on May 22, 2023, by Representative Andy Barr (R-KY) and has three original cosponsors: Representative Loudermilk (R-X), Representative De La Cruz (R-TX) and Representative Fitzgerald (R-WI). H.R. 3556 is comprised of the following five separate bills:

Title I – H.R. 3465, a bill to enhance FDIC transparency, will be introduced on May 22, 2023, by Representative Andy Barr (R-KY). It has one original cosponsor: Representative Loudermilk (R-GA).

Title I would enhance and expand reporting requirements for the FDIC’s receivership and resolution activities.

Title II – H.R. 3467, a bill to enhance Federal Reserve transparency, will be introduced on May 22, 2023, by Representative Andy Barr (R-KY). It has one original cosponsor: Representative Loudermilk (R-GA).

Title II - would enhance the transparency and accountability around the Federal Reserve's emergency lending authorities when used in "unusual and exigent circumstances" under section 13(3) of the Federal Reserve Act. The bill does not affect monetary policy independence.

Title III – H.R. 3466, a *bill to enhance Financial Stability Oversight Council transparency*, will be introduced on May 22, 2023, by Representative Andy Barr (R-KY). It has one original cosponsor, Representative Loudermilk (R-GA).

Title III would enhance transparency surrounding activities of the Financial Stability Oversight Council (FSOC).

Title IV – H.R.3558, the *Vice Chair of Supervision Banking Experience Requirement Act*, will be introduced on May 22, 2023, by Representative Scott Fitzgerald (R-WI).

Title IV would require that the Federal Reserve's Vice Chair for Supervision have experience working in or supervising banking organizations.

Title V - H.R. 3555, the *Banking Regulator Accountability Act*, which will be introduced on May 22, 2023, by Representative Monica De La Cruz (R-TX).

Title V would require the head of each Federal banking agency (FDIC, OCC, NCUA) to testify semi-annually and expand the reporting requirements for each Federal banking agency relating to supervisory activities, including providing confidential reports, before the House Financial Services Committee and Senate Banking Committee.

2. H.R. 3564, the *Middle Class Borrower Protection Act of 2023* (Davidson)

H.R. 3564, the *Middle Class Borrower Protection Act of 2023*, will be introduced by Representative Warren Davidson (R-OH) on May 22, 2023.

H.R. 3564 would repeal the recently enacted Loan Level Pricing Adjustments (LLPA) fee increases and reinstate the LLPA fee structure in effect prior to May 1, 2023. It would also institute a temporary LLPA fee change freeze pending a GAO review. The bill directs GAO to review the process FHFA uses to set LLPA fees, makes future LLPA fee changes subject to a standard notice and comment procedure, requires future conservator-mandated LLPA fee changes to be risk-based, and prohibits the imposition of any new LLPA fees based on the debt-to-income (DTI) ratio of borrowers.

3. H.R. 2622, a bill to amend the Investment Advisers Act of 1940 to codify certain Securities and Exchange Commission no-action letters that exclude brokers and dealers compensated for certain research services from the definition of investment adviser, and for other purposes (Sessions)

H.R. 2622 was introduced on April 13, 2023, by Representative Pete Sessions (R-TX). The bill has one cosponsor, Representative Wagner (R-MO).

H.R. 2622 would codify certain Securities and Exchange Commission no action letters that allow broker-dealers to continue accepting cash or “hard dollar” payments for research reports, in order to comply with international regulations such as MiFID and MiFID II.

4. H.R. 1553, the Helping Angels Lead Our Startups (HALOS) Act (Lawler)

H.R. 1553, the *Helping Angels Lead Our Startups (HALOS) Act*, was introduced by Representative Michael Lawler (R-NY) on March 10, 2023. It has one cosponsor, Representative Gottheimer (D-NJ). A substantially similar version of this bill passed out of the House in the 115th Congress by a vote of 344-73.

H.R. 1553 would define an angel investor for purposes of the federal securities laws. It would also clarify the definition of general solicitation contained in the Securities Act of 1933 to ensure that startups can discuss their products and business plans at certain events, known as “demo days,” without such discussions being considered an investment offering.

5. H.R. 3063, the Retirement Fairness for Charities and Educational Institutions Act (Lucas)

H.R. 3063, the *Retirement Fairness for Charities and Educational Institutions Act*, was introduced by Representative Frank Lucas (R-OK) on May 2, 2023. It has four co-sponsors: Representatives Gottheimer (D-NJ), Foster (D-IL), Barr (R-KY), and Nunn (R-IA).

This bill would amend the Exchange Act to allow 403(b) retirement plans to invest in unregistered insurance contracts and collective investment trusts (CITs) that currently may be invested in by comparable retirement plans, such as 401(k) plans.

6. H.R. 2627, the Increasing Investor Opportunities Act (Wagner)

H.R. 2627, the *Increasing Investor Opportunities Act*, was introduced by Representative Ann Wagner (R-MO) on April 13, 2023. It has one cosponsor, Representative Meeks (D-NY).

H.R. 2627 would amend the Investment Company Act of 1940 and remove an SEC staff-level position that places an arbitrary limit on the amount of assets a closed-end fund may invest in private funds.