

Suspend the Rules And Pass the Bill, H. R. 3555, with Amendments

(The amendments strike all after the enacting clause and insert a new text and a new title)

115TH CONGRESS
2^D SESSION

H. R. 3555

To amend the Securities Exchange Act of 1934 to provide that the definition of a facility of an exchange does not apply to a line of business the purpose of which is not to effect or report a transaction on an exchange.

IN THE HOUSE OF REPRESENTATIVES

JULY 28, 2017

Mr. LOUDERMILK (for himself, Mr. MEEKS, Mr. HULTGREN, Mr. DAVID SCOTT of Georgia, and Mr. ZELDIN) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To amend the Securities Exchange Act of 1934 to provide that the definition of a facility of an exchange does not apply to a line of business the purpose of which is not to effect or report a transaction on an exchange.

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. SHORT TITLE.**

4 This Act may be cited as the “Exchange Regulatory
5 Improvement Act”.

1 **SEC. 2. FINDINGS.**

2 The Congress finds the following:

3 (1) Over time, national securities exchanges
4 have expanded their businesses beyond listings and
5 trading to include the sale of additional products
6 and services to their members and listed companies.

7 (2) The Securities and Exchange Commission
8 should be transparent in its interpretation of the
9 term “facility” in section 3(a) of the Securities Ex-
10 change Act of 1934 (15 U.S.C. 78c(a)).

11 **SEC. 3. FACILITY DEFINED.**

12 (a) IN GENERAL.—Not later than 360 days after the
13 date of enactment of this Act, the Securities and Ex-
14 change Commission (the “Commission”) shall adopt regu-
15 lations to further interpret the term “facility” under sec-
16 tion 3(a) of the Securities Exchange Act of 1934. Such
17 regulations shall set forth the facts and circumstances the
18 Commission considers when determining whether any
19 premises or property, or the right to use any premises,
20 property, or service is or is not a facility of an exchange.

21 (b) APPLICATION TO PROPOSED RULES.—The Com-
22 mission shall apply the facts and circumstances set forth
23 in the regulations issued pursuant to subsection (a) in de-
24 termining whether any proposed rule is or is not required
25 to be submitted as a proposed rule filing pursuant to sec-

1 tion 19 of the Securities Exchange Act of 1934 and the
2 rules and regulations issued thereunder.

Amend the title so as to read: “A bill to require the Securities and Exchange Commission to issue regulations to further interpret the term ‘facility’ under the Securities Exchange Act of 1934.”.