

MEMORANDUM

To: Members of the Committee on Financial Services

From: FSC Majority Staff

Date: April 12, 2024

Re: April 17, 2024, Full Committee Markup

On Wednesday, April 17, 2024, at 10:00 a.m. in Room 2128 of the Rayburn House Office Building, the Committee on Financial Services will meet to markup the following measures in an order to be determined by the Chairman.

1. H.R. 5535, the *Insurance Data Protection Act (Fitzgerald)*
2. H.R. 802, the *Respect State Housing Laws Act (Loudermilk)*
3. H.R. 7437, the *Fostering the Use of Technology to Uphold Regulatory Effectiveness in Supervision (FUTURES) Act (Houchin)*
4. H.R. 7440, the *Financial Services Innovation Act of 2024 (McHenry)*
5. H.R. 7428, the *Earned Wage Access Consumer Protection Act (Steil)*
6. H.R. 4206, the *Bank Safety Act of 2023 (Sherman)*
7. H.R. 4116, the *Systemic Risk Authority Transparency Act (Green)*
8. H.J. Res. 127, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Securities and Exchange Commission relating to the “Enhancement and Standardization of Climate-Related Disclosures for Investors” (Huizenga)
9. H.J. Res. 122, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Consumer Financial Protection Bureau relating to “Credit Card Penalty Fees (Regulation Z)” (Barr)
10. H.J. Res. 120, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Financial Stability Oversight Council (FSOC) relating to “Guidance on Non-Bank Financial Company Determinations” (Hill)
11. H.J. Res. 125, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Board of Governors of the Federal Reserve System relating to “Principles for Climate-Related Financial Risk Management for Large Financial Institutions” (Fitzgerald)
12. H.J. Res. 126, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Federal Deposit Insurance Corporation relating to “Principles for Climate-Related Financial Risk Management for Large Financial Institutions” (Houchin)
13. H.J. Res. 124, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Office of the Comptroller of the Currency relating to “Principles for Climate-Related Financial Risk Management for Large Financial Institutions” (Donalds)

1. H.R. 5535, the *Insurance Data Protection Act* (Fitzgerald)

H.R. 5535, the *Insurance Data Protection Act*, was introduced on September 18, 2023, by Rep. Scott Fitzgerald (R-WI) and currently has 23 cosponsors, including Financial Services Committee members Reps. Barr (R-KY), De La Cruz (R-TX), Donalds (R-FL), Flood (R-NE), Garbarino (R-NY), Huizenga (R-MI), Lawler (R-NY), Luetkemeyer (R-MO), Meuser (R-PA), Norman (R-SC), Nunn (R-IA), Steil (R-WI), Timmons (R-SC), and Roger Williams (R-TX). This bill was attached to the November 2, 2023, hearing titled “The Factors Influencing the High Cost of Insurance for Consumers.”

H.R. 5535 would eliminate the Treasury Department’s Federal Insurance Office (FIO) and Office of Financial Research (OFR) ability to compel the production of data from an insurer or any affiliate of an insurer via subpoena. The bill also requires FIO and other financial regulators to protect the confidentiality of any non-publicly available data collected from insurance companies. H.R. 5535 also requires financial regulators to coordinate with state insurance regulators in advance when seeking to obtain such information.

2. H.R. 802, the *Respect State Housing Laws Act* (Loudermilk)

H.R. 802, the *Respect State Housing Laws Act*, was introduced on February 2, 2023, by Rep. Barry Loudermilk (R-GA) and currently has 31 bipartisan cosponsors, including Financial Services Committee members Reps. Barr (R-KY), De La Cruz (R-TX), Flood (R-NE), Norman (R-SC), Ogles (R-TN), Timmons (R-SC), Wagner (R-MO), and Vicente Gonzalez (D-TX). This bill was attached to the December 6, 2023, hearing titled “Housing Affordability: Governmental Barriers and Market-Based Solutions.”

H.R. 802 removes a drafting error in Section 4024 of the CARES Act (P.L. 116-136) relating to the expired temporary 30-day eviction notice requirement in federally assisted or federally backed housing.

3. H.R. 7437, the *Fostering the Use of Technology to Uphold Regulatory Effectiveness in Supervision (FUTURES) Act* (Houchin)

H.R. 7437, the *Fostering the Use of Technology to Uphold Regulatory Effectiveness in Supervision (FUTURES) Act*, was introduced on February 23, 2024, by Rep. Erin Houchin (R-IN). The bill has three cosponsors, including Financial Services Committee members Reps Hill (R-AR), Foster (D-IL), and Pettersen (D-CO). A draft of this bill was attached to the October 25, 2023, hearing titled “Modernizing Financial Services Through Innovation and Competition.”

The FUTURES Act requires prudential regulators to individually assess their internal supervisory technologies, as well as their ability to upgrade these technologies, as necessary. The bill requires agencies to then coordinate and submit a single report to Congress that includes a general overview of their hardware and software, a description of their procurement practices, a general overview of their technology workforce, a description of the processes they use to obtain information, a description of how they share information with other agencies, an evaluation of

the level of ease or difficulty they experience when sharing data and collecting data, and a description of any existing plans to implement future upgrades to their supervisory technology.

4. H.R. 7440, the *Financial Services Innovation Act of 2024* (McHenry)

H.R. 7440, the *Financial Services Innovation Act of 2024*, was introduced by Chairman Patrick McHenry on February 23, 2024. The bill has one cosponsor, Rep. Byron Donalds (R-FL). The *Financial Services Innovation Act* requires federal regulators to create Financial Services Innovation Offices (FSIOs) within their agencies to foster innovation in financial services. Once established, companies may apply for an “enforceable compliance agreement” with the respective FSIOs that, if accepted, will allow them to provide an innovative product or service under an alternative compliance plan.

H.R. 7440 will establish a FSIO Liaison Committee that is tasked with facilitating the cooperation of each FSIO to ensure that agencies share information and data on petitions and consult with State regulatory entities to provide information and advice to the public with respect to financial innovations and agency regulation. Additionally, FSOC must submit a report to Congress on the aggregate impact of enforceable compliance agreements entered into under the bill. This includes existing regulations or practices that are burdensome to innovation and adversely affect competition in the financial services industry, agreements that restrict improvements for consumers of financial products or services, and a compilation of agency regulations that overlap as it relates to financial products or services and recommendations for reducing, consolidating, or eliminating such overlap, among other reporting requirements.

5. H.R. 7428, the *Earned Wage Access Consumer Protection Act* (Steil)

H.R. 7428, the *Earned Wage Access Consumer Protection Act*, was introduced on February 20, 2024, by Rep. Bryan Steil (R-WI). A draft of this bill was attached to the October 25, 2023, hearing titled “Modernizing Financial Services Through Innovation and Competition.”

The Earned Wage Access (EWA) Consumer Protection Act clarifies that earned wages provided to consumers through EWA products are not considered credit, and any fees, tips, or donations paid by a consumer to an EWA provider are not considered finance charges. EWA providers would be required to implement policies and procedures around consumer disputes and disclose to consumers their rights under the EWA’s service agreement. Providers would also be required to disclose the voluntary nature of any tip or gratuity and permit the consumer to cancel participation in the service upon reasonable notice without the provider imposing a fee.

6. H.R. 4206, the *Bank Safety Act of 2023* (Sherman)

H.R.4206, the *Bank Safety Act of 2023*, was introduced on June 20, 2023, by Rep. Brad Sherman (D-CA). The bill is derived from the March, May, and June 2023 hearings responding to the bank failures last March.

As amended, H.R. 4206 would require bank holding companies (and banks without a holding company) with total consolidated assets over \$100 billion to include certain net gains and losses

(“accumulated other comprehensive income” or “AOCI”) in their regulatory capital calculations. The bill would authorize the Federal banking agencies to further define AOCI through the rulemaking process and would require the Federal banking agencies to phase-in the inclusion of AOCI, such that it is fully phased-in by July 1, 2028.

7. H.R. 4116, the *Systemic Risk Authority Transparency Act* (Green)

H.R. 4116, the *Systemic Risk Authority Transparency Act*, was introduced on June 14, 2023, by Rep. Al Green (D-TX). The bill has two cosponsors including Financial Services Committee members Reps. Brad Sherman (D-CA) and Joyce Beatty (D-OH). The bill is derived from the March, May, and June 2023 hearings responding to the bank failures last March.

As amended, H.R. 4116 would increase transparency from the Federal banking agencies and the Secretary of the Treasury when they invoke the systemic risk exception to the Federal Deposit Insurance Act’s (FDI Act) least-cost resolution mandate for resolving failed banks. The bill would require the Comptroller General of the United States (GAO) to issue a report to Congress on the use of the systemic risk exception. The GAO report would include an analysis of the basis and purpose of the use of the exception, the effect of the exception, executive compensation and any mismanagement at the failed bank, the supervision of the bank, other actions taken by any regulators, and any other contributing factors. The GAO report would be required within 60 days of the exception, and a follow-up report would be required within 180 days of the exception.

In addition, the legislation would require similar reporting by the failed bank’s primary Federal banking agency within 90 days of the use of the exception and again within 270 days of the exception. The appropriate Federal banking agency report would be required to include—with redactions to protect personally identifiable information—reports of examination or inspection and similar communications that conveyed supervisory findings to the bank during the three years preceding the failure.

8. *H.J.Res. 127, providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Securities and Exchange Commission relating to the Enhancement and Standardization of Climate-Related Disclosures for Investors* (Huizenga)

H.J.Res. 127, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Securities and Exchange Commission relating to the “Enhancement and Standardization of Climate-Related Disclosures for Investors,” was introduced on April 9, 2024, by Rep. Bill Huizenga (R-MI). H.J.Res.127 has 22 Financial Services Committee cosponsors. This resolution was attached to the April 10, 2024, hearing titled “Beyond Scope: How the SEC’s Climate Rule Threatens American Markets.”

9. *H.J. Res. 122, providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Consumer Financial Protection Bureau relating to credit card penalty fees (Regulation Z)* (Barr)

H.J. Res. 122, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Consumer Financial Protection Bureau relating to credit card penalty fees (Regulation Z), was introduced on March 29, 2024, by Rep. Andy Barr (R-KY). H.J.Res. 122 has 17 cosponsors, including Financial Service Committee members Reps. Luetkemeyer (R-MO), Wagner (R-MO), Posey (R-FL), Sessions (R-TX), Huizenga (R-MI), Williams (R-TX), Nunn (R-IA), Donalds (R-FL), Fitzgerald (R-WI), Timmons (R-SC), Meuser (R-PA), Hill (R-AR), and Smith (R-NE). This resolution will be attached to the April 16, 2024, hearing titled “Agency Audit: Reviewing CFPB Financial Reporting & Transparency.”

10. *H.J.Res. 120, providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Financial Stability Oversight Council (FSOC) relating to Guidance on Non-Bank Financial Company Determinations (Hill)*

H.J. Res. 120, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Financial Stability Oversight Council (FSOC) relating to “Guidance on Non-Bank Financial Company Determinations,” was introduced on March 22, 2024, by Rep. French Hill (R-AR). This resolution was derived from the January 10, 2024, hearing titled “Regulatory Whiplash: Examining the Impact of FSOC’s Ever-changing Designation Framework on Innovation.”

11. *H.J.Res. 125, providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Board of Governors of the Federal Reserve System relating to “Principles for Climate-Related Financial Risk Management for Large Financial Institutions” (Fitzgerald)*

H.J. Res. 125, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Board of Governors of the Federal Reserve System relating to “Principles for Climate-Related Financial Risk Management for Large Financial Institutions,” was introduced on April 5, 2024, by Rep. Scott Fitzgerald (R-WI). H.J.Res. 125 has six cosponsors, including Financial Services Committee members Reps. Meuser (R-PA), Mooney (R-WVA), Hill (R-AR), Lucas (R-OK), and Donalds (R-FL). This bill was attached to the March 21, 2024, hearing titled “Importing Global Governance: Examining the Dangers of Ceding Authority over American Financial Regulation.”

12. *H.J.Res. 126, providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Federal Deposit Insurance Corporation relating to “Principles for Climate-Related Financial Risk Management for Large Financial Institutions” (Houchin)*

H.J. Res. 126, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Federal Deposit Insurance Corporation relating to “Principles for Climate-Related Financial Risk Management for Large Financial Institutions,” was introduced on April 5, 2024, by Rep. Erin Houchin (R-IN). H.J.Res. 126 has three

cosponsors, including Financial Services Committee members Reps. Hill (R-AR), Donalds (R-FL), and Meuser (R-PA). This bill was attached to the March 21, 2024, hearing titled “Importing Global Governance: Examining the Dangers of Ceding Authority over American Financial Regulation.”

13. *H.J.Res. 124, providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Office of the Comptroller of the Currency relating to “Principles for Climate-Related Financial Risk Management for Large Financial Institutions” (Donalds)*

H.J. Res. 124, a resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by the Office of the Comptroller of the Currency relating to “Principles for Climate-Related Financial Risk Management for Large Financial Institutions,” was introduced on April 5, 2024, by Rep. Byron Donalds (R-FL). H.J.Res. 124 has 10 cosponsors, including Financial Services Committee members Rep. Meuser (R-PA), Rep. Ogles (R-TN), and Rep. Huizenga (R-MI), Reps Bryan Steil (R-WI), Houchin (R-IN), and Hill (R-AR). This bill was attached to the March 21, 2024, hearing titled “Importing Global Governance: Examining the Dangers of Ceding Authority over American Financial Regulation.”