

3/22/10

Summary of Manager's Amendment

Incorporates Amendment #471 (Dodd), which generally consists of technical and conforming changes throughout the bill, and makes a number of other revisions including the following:

- In section 120, requires primary financial regulatory agencies to establish by rulemaking an appeals procedure for entities in their jurisdiction in case such agencies determine that the standards imposed under the section should remain in effect even after the Council recommends that a financial activity or practice no longer requires such standards.
- In Section 406, directs the SEC in Sections 206(1) and 206(2) of the Advisers Act not to count the customers of private funds as "clients".
- In Section 915, modifies the effective of date of filing for self-regulatory organization rulemakings from the date of publication on the SRO website to the date of publication in the Federal Register if the SEC has sent it to the Register within 15 days.
- In Section 922, restricts auditors from receiving whistleblower awards.
- In Section 926, provides that the SEC, not the State securities commissioner, will decide whether a security is covered under the stated procedure
- In section 1151, deletes the authority of the Federal Reserve to lend under section 13(3) to financial market utilities that the Financial Stability Oversight Council determines to be systemically important.
- In section 1154, replaces the Financial Stability Oversight Council with the Federal Deposit Insurance Corporation in the determination of liquidity events.
- In section 1155, changes the Secretary of the Treasury's role in establishing regulations for guarantees from concurrence to consultation while still requiring Treasury concurrence for terms and conditions, and deletes language authorizing appropriations for the guarantee program.

Incorporates Amendment #59 (Reed), which: (1) amends Sarbanes-Oxley Act regarding the disposition of FAIR Funds to victims of fraud; and (2) increases SIPC borrowing authority from Treasury from \$1 billion to \$2.5 billion.

Incorporates Amendment #60 (Reed, as modified) and #61 (Reed), which make improvements to the Office of Financial Research.

Incorporates Amendment #70 (Menendez), which requires issuer disclosure of the ratio of average worker pay to executive compensation in executive compensation disclosure section.

Incorporates Amendment #72 (Menendez), which requires that only shareholder-directed votes be included in the vote tally for advisory shareholder votes on executive compensation.

Incorporates Amendment #73 (Menendez, as modified), which amends the Financial Education and Counseling Grant Program established in HERA by expanding the target audience beyond “potential homebuyers” to “economically vulnerable individuals and families” and deletes the 5 organization limit.

Incorporates Amendment #81 (Schumer), a technical change on SEC self-funding.

Incorporates Amendment #93 (Merkley, as modified), which amends the Truth in Lending Act to cover transactions of up to \$50,000 and allows future adjustments for inflation.

Incorporates Amendment #99 (Merkley, as modified), which increases the next-day funds availability amount under the Expedited Funds Availability Act from \$100 to \$200, and allows future adjustments for inflation.

Incorporates Amendment #100 (Brown, as modified), which requires the Bureau, in consultation with other regulators, to establish a process to respond to consumer complaints in a timely manner, and establishes a Private Education Loan Ombudsman.

Incorporates Amendment #106, (Brown) which requires an SEC study on improving investor access to information including disciplinary actions on investment advisers and broker-dealers

Incorporates Amendment #114 (Bennet), which requires any prepurchase disclosure mandated by the SEC to be clear and concise regarding costs, risks and intermediary compensation.

Incorporates Amendment #116 (Bennet), which requires the boards of nationally recognized statistical ratings organizations to be independent, with special rules for NRSROs which are subsidiaries of larger companies and authority for regulators to exempt small NRSROs.

Incorporates Amendment #117 (Bennet), which clarifies that the prohibition on regulation of the credit rating process does not afford a defense against an SEC action to enforce antifraud provisions of securities laws.

Incorporates Amendment #118 (Akaka), which provides opportunities for unbanked and underbanked individuals to access mainstream financial services, and provides grants to establish loan-loss reserve funds to help CDFIs defray the costs of operating small dollar loan programs.

Incorporates Amendment #125 (Akaka, as modified), which provides consumer protections for remittance transfers.

Incorporates Amendment #265 (Reed), which clarifies the definition of “originator.”

Incorporates Amendment #269 (Kohl, as modified), which requires the Comptroller General to study the effectiveness of state and federal regulations to protect consumers from misleading financial advisor designations; current state and federal oversight structure and regulations for financial planners; and legal or regulatory gaps in the regulation of financial planners and other individuals who provide or offer to provide financial planning services to consumers.

Incorporates Amendment #395 (Warner, as modified), which inserts a reference to "nonpreempted" State law in the visitorial powers section for national banks and thrifts and makes clear that State attorneys general can enforce "nonpreempted" State law under the National Bank Act and the Home Owners' Loan Act.

Incorporates Amendment #406 (Tester), which clarifies the definition of insurers for purposes of the data collection authority of the ONI.

Incorporates Amendment #408 (Warner, as modified), #409 (Warner, as modified), and #411 (Warner), which make improvements to the orderly liquidation authority.

Incorporates Amendment #423 (Dodd), which requires the Comptroller General of the United States to study conflicts of interest faced by securities underwriters and securities analysts working within the same firms.

In section 162, provides the Board of Governors with backup enforcement authority.

In section 206, clarifies that the FDIC will not take an equity interest in or become a shareholder of a covered financial company or a covered subsidiary.

In section 619, makes technical changes and adds a requirement that the Council study whether the proposed prohibitions and restrictions appropriately accommodate the business of insurance conducted within an insurance company subject to regulation by State insurance company investment laws.

In section 1152, establishes that a credit facility will be deemed terminated 24 months after it ceases to extend credit or loans. This will affect the date when the identities of borrowers can be disclosed.

Incorporates changes requested by the Agricultural Committee to ensure that the entities under the jurisdiction of the Agricultural Committee, such as Farm Credit System institutions, do not become subject to additional regulations under the jurisdiction of the Banking Committee.

Makes a number of additional technical and conforming changes.