

TITLE I—BROKER RELIEF

SEC. 101. RULEMAKING REQUIRED FOR REVISED DEFINITION OF BROKER IN THE SECURITIES EXCHANGE ACT OF 1934.

(a) FINAL RULES REQUIRED.—

(1) AMENDMENT TO SECURITIES ACT.—Section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4)) is amended by adding at the end the following:

“(F) RULEMAKING REQUIRED.—The Commission shall, by rule, further define the term ‘broker’ for purposes of this paragraph.”.

(2) TIMING.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission (in this section referred to as the “Commission”) shall issue proposed rules to define the term “broker” in accordance with section 3(a)(4)(F) of the Securities Exchange Act of 1934, as added by this subsection.

(3) RULEMAKING SUPERCEDES PREVIOUS RULEMAKING.—A rule issued in accordance with this section shall supercede any other rule issued by the Commission with regard to the definition of a broker under section 3(a)(4) of the Securities Exchange Act of 1934, on or after the effective date of

1 section 201 of the Gramm-Leach-Bliley Act, and no
2 such other rule, whether or not issued in final form,
3 shall have any force or effect on or after the effec-
4 tive date of that section 201.

5 (b) CONSULTATION.—Prior to issuing the final rule
6 required by this section, the Commission shall consult with
7 and seek the concurrence of the Federal banking agencies
8 concerning the content of such rulemaking in imple-
9 menting section 3(a)(4) of the Securities Exchange Act
10 of 1934, as amended by this section and section 201 of
11 the Gramm-Leach-Bliley Act.

12 (c) AGENCY OBJECTIONS TO COMMISSION RULE.—

13 (1) FILING OF PETITION FOR REVIEW.—

14 (A) IN GENERAL.—Any Federal banking
15 agency may obtain review of any final rule
16 issued under this section in the United States
17 Court of Appeals for the District of Columbia
18 Circuit by filing in such court, not later than 60
19 days after the date of publication of the final
20 rule, a written petition requesting that the rule
21 be set aside.

22 (B) EXPEDITED PROCESS.—Any pro-
23 ceeding to challenge such a rule commenced
24 under subparagraph (A) shall be expedited by
25 the Court of Appeals.

1 (2) TRANSMITTAL OF PETITION AND
2 RECORD.—

3 (A) SUBMISSION TO CLERK.—A copy of a
4 petition described in paragraph (1) shall be
5 transmitted as soon as possible by the Clerk of
6 the Court to an officer or employee of the Com-
7 mission designated for that purpose.

8 (B) FILING OF PETITION.—Upon receipt
9 of a petition under subparagraph (A), the Com-
10 mission shall file with the court the rule under
11 review and any documents referred to therein,
12 and any other relevant materials prescribed by
13 the court.

14 (3) EXCLUSIVE JURISDICTION.—On the date of
15 the filing of a petition under paragraph (1), the
16 court has jurisdiction, which becomes exclusive on
17 the filing of the materials set forth in paragraph (2),
18 to affirm and enforce or to set aside the rule at
19 issue.

20 (4) STANDARD OF REVIEW.—The court shall
21 determine to affirm and enforce or set aside a rule
22 of the Commission under this subsection, based on
23 the determination of the court as to whether the rule
24 is consistent with the purposes and language of sec-
25 tion 3(a)(4) of the Securities Exchange Act of 1934,

1 as amended by section 201 of the Gramm-Leach-Bli-
2 ley Act, and appropriate in light of the history, pur-
3 pose, and extent of the rule under the Federal secu-
4 rities laws and the Federal banking laws, giving def-
5 erence neither to the views of the Commission nor
6 of the Federal banking agencies.

7 (5) JUDICIAL STAY.—The filing of a petition by
8 a Federal banking agency under paragraph (1) shall
9 operate as a judicial stay, until the date on which
10 the determination of the court is final (including any
11 appeal of such determination).

12 (d) DEFINITION.—For purposes of this section, the
13 term “Federal banking agencies” means the Board of
14 Governors of the Federal Reserve System, the Office of
15 the Comptroller of the Currency, the Office of Thrift Su-
16 pervision, and the Federal Deposit Insurance Corporation.

17 **TITLE II—MONETARY POLICY**

18 **PROVISIONS**

19 **SEC. 201. AUTHORIZATION FOR THE FEDERAL RESERVE TO**

20 **PAY INTEREST ON RESERVES.**

21 (a) IN GENERAL.—Section 19(b) of the Federal Re-
22 serve Act (12 U.S.C. 461(b)) is amended by adding at
23 the end the following:

24 “(12) EARNINGS ON BALANCES.—