

House passed HR 4173	Senate-passed H.R. 4173 (S. 3217 as amended)	Notes
<p align="center"><b>TITLE I--FINANCIAL STABILITY IMPROVEMENT ACT</b></p> <p><b>SEC. 1000. SHORT TITLE; DEFINITIONS.</b></p> <p>(a) Short Title- This title may be cited as the `Financial Stability Improvement Act of 2009'.</p>	<p align="center"><b>TITLE I--FINANCIAL STABILITY</b></p> <p><b>SEC. 101. SHORT TITLE.</b></p> <p align="center"><i>This title may be cited as the `Financial Stability Act of 2010'.</i></p>	
<p>(b) Definitions- For purposes of this title, the following definitions shall apply:</p> <p>(1) The term `Board' means the Board of Governors of the Federal Reserve System.</p> <p>(2) The term `Council' means the Financial Services Oversight Council established under section 1001.</p> <p>(3) The term `Federal financial regulatory agency' means any agency that has a voting member of the Council as set forth in section 1001(b)(1).</p> <p>(4) The term `financial company' means a company or other entity--</p> <p style="padding-left: 20px;">(A) that is--</p> <p style="padding-left: 40px;">(i) incorporated or organized under the laws of the United States or any State, territory, or possession of the United States, the District of Columbia, Commonwealth of Puerto Rico, Commonwealth of Northern Mariana Islands, Guam, American Samoa, or the United States Virgin Islands; or</p> <p style="padding-left: 40px;">(ii) a company incorporated in or organized in a country other than the United States that has significant operations in the United States (hereafter in this title referred to as a `foreign financial parent') after through--</p> <p style="padding-left: 60px;">(I) a Federal or State branch or agency of a foreign bank as such terms are defined in the International Banking Act of 1978 (12 U.S.C. 3101 et seq.); or</p> <p style="padding-left: 60px;">(II) a United States affiliate or other United States operating entity;</p> <p style="padding-left: 20px;">(B) that is, in whole or in part, directly or indirectly,</p>	<p><b>SEC. 102. DEFINITIONS.</b></p> <p><i>(a) In General- For purposes of this title, unless the context otherwise requires, the following definitions shall apply:</i></p> <p><i>(1) BANK HOLDING COMPANY- The term `bank holding company' has the same meaning as in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841). A foreign bank or company that is treated as a bank holding company for purposes of the Bank Holding Company Act of 1956, pursuant to section 8(a) of the International Banking Act of 1978 (12 U.S.C. 3106(a)), shall be treated as a bank holding company for purposes of this title.</i></p> <p><i>(2) CHAIRPERSON- The term `Chairperson' means the Chairperson of the Council.</i></p> <p><i>(3) MEMBER AGENCY- The term `member agency' means an agency represented by a voting member of the Council.</i></p> <p><i>(4) NONBANK FINANCIAL COMPANY DEFINITIONS-</i></p> <p style="padding-left: 20px;"><i>(A) FOREIGN NONBANK FINANCIAL COMPANY- The term `foreign nonbank financial company' means a company (other than a company that is, or is treated in the United States as, a bank holding company or a subsidiary thereof) that is--</i></p> <p style="padding-left: 40px;"><i>(i) incorporated or organized in a country other than the United States; and</i></p> <p style="padding-left: 40px;"><i>(ii) predominantly engaged in, including through a branch in the United States, financial activities, as defined in paragraph (6).</i></p> <p style="padding-left: 20px;"><i>(B) U.S. NONBANK FINANCIAL COMPANY- The term `U.S. nonbank financial company' means a company (other than a bank holding company or a</i></p>	

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<p>engaged in financial activities; and  (C) that is not a Farm Credit System institution chartered under and subject to the provisions of the Farm Credit Act of 1971, as amended (12 U.S.C. 2001 et seq.).</p> <p>(5) FINANCIAL HOLDING COMPANY SUBJECT TO STRICTER STANDARDS- The term `financial holding company subject to stricter standards' means--</p> <p>(A) a financial company that has been subjected to stricter prudential standards under subtitle B; or  (B) in the case of a financial company described in subparagraph (A) that is required to establish an intermediate holding company under section 6 of the Bank Holding Company Act, the section 6 holding company through which the financial company is required to conduct its financial activities.</p> <p>(6) The term `primary financial regulatory agency' means the following:</p> <p>(A) The Comptroller of the Currency, with respect to any national bank, any Federal branch or Federal agency of a foreign bank, and, after the date on which the functions of the Office of Thrift Supervision and the Director of the Office of Thrift Supervision are transferred under subtitle C, a Federal savings association.</p> <p>(B) The Board, with respect to--</p> <p>(i) any State member bank;</p> <p>(ii) any bank holding company and any subsidiary of such company (as such terms are defined in the Bank Holding Company Act), other than a subsidiary that is described in any other subparagraph of this paragraph to the extent that the subsidiary is engaged in an activity described in such subparagraph;</p> <p>(iii) any financial holding company subject to stricter standards and any subsidiary (as such term is defined in the Bank Holding Company Act) of such company, other than a subsidiary that is described in any other subparagraph of this paragraph to the extent that the subsidiary is engaged in an activity described in such subparagraph;</p> <p>(iv) after the date on which the functions of the</p>	<p><i>subsidiary thereof, or a Farm Credit System institution chartered and subject to the provisions of the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) that is--</i></p> <p><i>(i) incorporated or organized under the laws of the United States or any State; and</i></p> <p><i>(ii) predominantly engaged in financial activities as defined in paragraph (6).</i></p> <p><i>(C) NONBANK FINANCIAL COMPANY- The term `nonbank financial company' means a U.S. nonbank financial company and a foreign nonbank financial company.</i></p> <p><i>(D) NONBANK FINANCIAL COMPANY SUPERVISED BY THE BOARD OF GOVERNORS- The term `nonbank financial company supervised by the Board of Governors' means a nonbank financial company that the Council has determined under section 113 shall be supervised by the Board of Governors.</i></p> <p><i>(5) OFFICE OF FINANCIAL RESEARCH- The term `Office of Financial Research' means the office established under section 152.</i></p> <p><i>(6) PREDOMINANTLY ENGAGED- A company is `predominantly engaged in financial activities' if--</i></p> <p><i>(A) the annual gross revenues derived by the company and all of its subsidiaries from activities that are financial in nature (as defined in section 4(k) of the Bank Holding Company Act of 1956) and, if applicable, from the ownership or control of one or more insured depository institutions, represents 85 percent or more of the consolidated annual gross revenues of the company; or</i></p> <p><i>(B) the consolidated assets of the company and all of its subsidiaries related to activities that are financial in nature (as defined in section 4(k) of the Bank Holding Company Act of 1956) and, if applicable, related to the ownership or control of one or more insured depository institutions, represents 85 percent or more of the consolidated assets of the company.</i></p> <p><i>(7) SIGNIFICANT INSTITUTIONS- The terms `significant nonbank financial company' and `significant bank holding company' have the meanings given those terms by rule of the Board of Governors.</i></p>	

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<p>Office of Thrift Supervision are transferred under subtitle C, any savings and loan holding company (as defined in section 10(a)(1)(D) of the Home Owners' Loan Act) and any subsidiary (as such term is defined in the Bank Holding Company Act of 1956) of such company, other than a subsidiary that is described in any other subparagraph of this paragraph, to the extent that the subsidiary is engaged in an activity described in such subparagraph;</p> <p>(v) any organization organized and operated under section 25 or 25A of the Federal Reserve Act (12 U.S.C. 601 et seq. or 611 et seq.); and</p> <p>(vi) any foreign bank or company that is treated as a bank holding company under subsection (a) of section 8 of the International Banking Act of 1978 and any subsidiary (other than a bank or other subsidiary that is described in any other subparagraph of this paragraph) of any such foreign bank or company.</p> <p>(C) The Federal Deposit Insurance Corporation, with respect to any State nonmember bank, any insured State branch of a foreign bank (as such terms are defined in section 3 of the Federal Deposit Insurance Act), and, after the date on which the functions of the Office of Thrift Supervision are transferred under subtitle C, any State savings association.</p> <p>(D) The National Credit Union Administration, with respect to any insured credit union under the Federal Credit Union Act (12 U.S.C. 1751 et seq.).</p> <p>(E) The Securities and Exchange Commission, with respect to--</p> <p>(i) any broker or dealer registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.);</p> <p>(ii) any investment company registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.);</p> <p>(iii) any investment adviser registered with the</p>	<p><i>(b) Definitional Criteria- The Board of Governors shall establish, by regulation, the requirements for determining if a company is predominantly engaged in financial activities, as defined in subsection (a)(6).</i></p> <p><i>(c) Foreign Nonbank Financial Companies- For purposes of the authority of the Board of Governors under this title with respect to foreign nonbank financial companies, references in this title to `company' or `subsidiary' include only the United States activities and subsidiaries of such foreign company.</i></p>	

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<p>Securities and Exchange Commission under the Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.) with respect to the investment advisory activities of such company and activities incidental to such advisory activities;</p> <p>(iv) any clearing agency (as defined in section 3(a)(23) of the Securities Exchange Act of 1934);</p> <p>(v) a securities-based swap execution facility that is registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.);</p> <p>(vi) any exchange registered as a national securities exchange with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.);</p> <p>(vii) any credit rating agency registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.);</p> <p>(viii) any securities information processor registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.); and</p> <p>(ix) any transfer agent registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).</p> <p>(F) The Commodity Futures Trading Commission, with respect to--</p> <p>(i) any futures commission merchant, any commodity trading adviser, any retail foreign exchange dealer, and any commodity pool operator registered with the Commodity Futures Trading Commission under the Commodity Exchange Act (7 U.S.C. 1 et seq.) with respect to the commodities activities of such entity and activities incidental to such commodities activities; and</p> <p>(ii) any derivatives clearing organization, designated contract market, or swap execution facility (as defined in the Commodity Exchange</p>		

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<p>Act).</p> <p>(G) The Federal Housing Finance Agency with respect to the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal home loan banks.</p> <p>(H) The State insurance authority of the State in which an insurance company is domiciled, with respect to the insurance activities and activities incidental to such insurance activities of an insurance company that is subject to supervision by the State insurance authority under State insurance law.</p> <p>(I) The Office of Thrift Supervision, with respect to any Federal savings association, State savings association, or savings and loan holding company, until the date on which the functions of the Office of Thrift Supervision are transferred under subtitle C.</p> <p>(7) TERMS DEFINED IN OTHER LAWS-</p> <p>(A) AFFILIATE- The term `affiliate' has the meaning given such term in section 2(k) of the Bank Holding Company Act of 1956.</p> <p>(B) STATE MEMBER BANK, STATE NONMEMBER BANK- The terms `State member bank' and `State nonmember bank' have the same meanings as in subsections (d)(2) and (e)(2), respectively, of section 3 of the Federal Deposit Insurance Act.</p>		
<p><b>SEC. 1000A. RESTRICTIONS ON THE FEDERAL RESERVE SYSTEM PENDING AUDIT REPORT.</b></p> <p>(a) In General- Notwithstanding any other provision of law, the Comptroller General of the United States shall perform an audit of all actions taken by the Board of Governors of the Federal Reserve System and the Federal reserve banks during the current economic crisis pursuant to the authority granted under section 13(c) of the Federal Reserve Act. Such audit shall be completed as expeditiously as possible, but no later than 2 years, after the date of the enactment of the Financial Stability Improvement Act of 2009.</p> <p>(b) Report-</p> <p>(1) REQUIRED- Not later than the end of the 90-day period beginning on the date the audit referred to in subsection (a) is completed, the Comptroller General of the United States shall</p>	<p><i>Title XI</i></p> <p><b>SEC. 1159. GAO AUDIT OF THE FEDERAL RESERVE FACILITIES; PUBLICATION OF BOARD ACTIONS.</b></p> <p>(a) GAO Audit-</p> <p>(1) IN GENERAL- Notwithstanding section 714(b) of title 31, United States Code, or any other provision of law, the Comptroller General of the United States (in this subsection referred to as the `Comptroller General') shall conduct a one-time audit of all loans and other financial assistance provided during the period beginning on December 1, 2007 and ending on the date of enactment of this Act by the Board of Governors under the Asset-Backed Commercial Paper Money Market Mutual Fund Liquidity Facility, the Term Asset-Backed</p>	

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<p>submit a report to the Congress, and make such report available to the public.</p> <p>(2) CONTENTS- The report under paragraph (1) shall include a detailed description of the findings and conclusion of the Comptroller General with respect to the audit that is the subject of the report, together with such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.</p>	<p><i>Securities Loan Facility, the Primary Dealer Credit Facility, the Commercial Paper Funding Facility, the Term Securities Lending Facility, the Term Auction Facility, Maiden Lane, Maiden Lane II, Maiden Lane III, the agency Mortgage-Backed Securities program, foreign currency liquidity swap lines, and any other program created as a result of the third undesignated paragraph of section 13 of the Federal Reserve Act.</i></p> <p>(2) ASSESSMENTS- In conducting the audit under paragraph (1), the Comptroller General shall assess--</p> <ul style="list-style-type: none"> <li>(A) the operational integrity, accounting, financial reporting, and internal controls of the credit facility;</li> <li>(B) the effectiveness of the collateral policies established for the facility in mitigating risk to the relevant Federal reserve bank and taxpayers;</li> <li>(C) whether the credit facility inappropriately favors one or more specific participants over other institutions eligible to utilize the facility;</li> <li>(D) the policies governing the use, selection, or payment of third-party contractors by or for any credit facility; and</li> <li>(E) whether there were conflicts of interest with respect to the manner in which such facility was established or operated.</li> </ul> <p>(3) TIMING- The audit required by this subsection shall be commenced not later than 30 days after the date of enactment of this Act, and shall be completed not later than 12 months after that date of enactment.</p> <p>(4) REPORT REQUIRED- The Comptroller General shall submit a report on the audit conducted under paragraph (1) to the Congress not later than 12 months after the date of enactment of this Act, and such report shall be made available to--</p> <ul style="list-style-type: none"> <li>(A) the Speaker of the House of Representatives;</li> <li>(B) the majority and minority leaders of the House of Representatives;</li> <li>(C) the majority and minority leaders of the Senate;</li> <li>(D) the Chairman and Ranking Member of the Committee on Banking, Housing, and Urban Affairs of the Senate and of the Committee on Financial Services of the House of Representatives; and</li> <li>(E) any member of Congress who requests it.</li> </ul>	

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<p style="text-align: center;"><b>Subtitle A--The Financial Services Oversight Council</b></p> <p><b>SEC. 1001. FINANCIAL SERVICES OVERSIGHT COUNCIL ESTABLISHED.</b></p> <p>(a) Establishment- Immediately upon enactment of this title, there is established a Financial Services Oversight Council.</p> <p>(b) Membership- The Council shall consist of the following:</p> <p style="padding-left: 20px;">(1) VOTING MEMBERS- Voting members, who shall each have one vote on the Council, as follows:</p> <p style="padding-left: 40px;">(A) The Secretary of the Treasury, who shall serve as the Chairman of the Council.</p> <p style="padding-left: 40px;">(B) The Chairman of the Board of Governors of the Federal Reserve System.</p> <p style="padding-left: 40px;">(C) The Comptroller of the Currency.</p> <p style="padding-left: 40px;">(D) The Director of the Office of Thrift Supervision, until the functions of the Director of the Office of Thrift Supervision are transferred pursuant to subtitle C.</p> <p style="padding-left: 40px;">(E) The Chairman of the Securities and Exchange Commission.</p> <p style="padding-left: 40px;">(F) The Chairman of the Commodity Futures Trading Commission.</p> <p style="padding-left: 40px;">(G) The Chairperson of the Federal Deposit Insurance Corporation.</p> <p style="padding-left: 40px;">(H) The Director of the Federal Housing Finance Agency.</p> <p style="padding-left: 40px;">(I) The Chairman of the National Credit Union Administration.</p> <p style="padding-left: 40px;">(J) The head of the Consumer Financial Protection Agency.</p> <p style="padding-left: 20px;">(2) NONVOTING MEMBERS- Nonvoting members, who shall serve in an advisory capacity and shall not be excluded from any of the Council's proceedings, meetings, discussions, and deliberations:</p> <p style="padding-left: 40px;">(A) The Director of the Federal Insurance Office.</p> <p style="padding-left: 40px;">(B) A State insurance commissioner, to be designated by a selection process determined by the State insurance commissioners, provided that the term for which a State insurance commissioner may serve shall last no more than the 2-year period beginning on the date that the</p>	<p style="text-align: center;"><i>Title I</i></p> <p style="text-align: center;"><i>Subtitle A--Financial Stability Oversight Council</i></p> <p><b>SEC. 111. FINANCIAL STABILITY OVERSIGHT COUNCIL ESTABLISHED.</b></p> <p><i>(a) Establishment- Effective on the date of enactment of this Act, there is established the Financial Stability Oversight Council.</i></p> <p><i>(b) Membership- The Council shall consist of the following members:</i></p> <p style="padding-left: 20px;"><i>(1) VOTING MEMBERS- The voting members, who shall each have 1 vote on the Council shall be--</i></p> <p style="padding-left: 40px;"><i>(A) the Secretary of the Treasury, who shall serve as Chairperson of the Council;</i></p> <p style="padding-left: 40px;"><i>(B) the Chairman of the Board of Governors;</i></p> <p style="padding-left: 40px;"><i>(C) the Comptroller of the Currency;</i></p> <p style="padding-left: 40px;"><i>(D) the Director of the Bureau;</i></p> <p style="padding-left: 40px;"><i>(E) the Chairman of the Commission;</i></p> <p style="padding-left: 40px;"><i>(F) the Chairperson of the Corporation;</i></p> <p style="padding-left: 40px;"><i>(G) the Chairperson of the Commodity Futures Trading Commission;</i></p> <p style="padding-left: 40px;"><i>(H) the Director of the Federal Housing Finance Agency; and</i></p> <p style="padding-left: 40px;"><i>(I) an independent member appointed by the President, by and with the advice and consent of the Senate, having insurance expertise.</i></p> <p style="padding-left: 20px;"><i>(2) NONVOTING MEMBERS- The Director of the Office of Financial Research--</i></p> <p style="padding-left: 40px;"><i>(A) shall serve in an advisory capacity as a nonvoting member of the Council; and</i></p> <p style="padding-left: 40px;"><i>(B) may not be excluded from any of the proceedings, meetings, discussions, or deliberations of the Council.</i></p> <p><i>(c) Terms; Vacancy-</i></p> <p style="padding-left: 20px;"><i>(1) TERMS- The independent member of the Council shall serve for a term of 6 years.</i></p> <p style="padding-left: 20px;"><i>(2) VACANCY- Any vacancy on the Council shall be filled in the manner in which the original appointment was made.</i></p> <p style="padding-left: 20px;"><i>(3) ACTING OFFICIALS MAY SERVE- In the event of a vacancy in the office of the head of a member agency or department, and pending the appointment of a successor, or</i></p>	<p>Sec. 111(d) of Senate bill moved next to Sec. 1003 of House bill.</p> <p>Sec. 111(e) and 111(f) of Senate bill moved next to Sec. 1004 of House bill.</p> <p>Sec. 111(h)(2) of Senate bill moved next to Sec. 1005(b) of House bill.</p> <p>Sec. 111(j)(1) of Senate bill moved next to Sec. 1005(b) of House bil.l</p> <p>Sec. 111(g) of Senate bill moved next to Sec. 1007 of House bill.</p>

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<p>commissioner is selected.</p> <p>(C) A State banking supervisor, to be designated by a selection process determined by the State bank supervisors, provided that the term for which a State banking supervisor may serve shall last no more than the 2-year period beginning on the date that the supervisor is selected.</p> <p>(D) A State securities commissioner (or an officer performing like functions), to be designated by a selection process determined by such State securities commissioners, provided that the term for which a State securities commissioner may serve shall last no more than the 2-year period beginning on the date that the commissioner is selected.</p>	<p><i>during the absence or disability of the head of a member agency or department, the acting head of the member agency or department shall serve as a member of the Council in the place of that agency or department head.</i></p> <p>(i) <i>Compensation of Members-</i></p> <p>(1) <i>FEDERAL EMPLOYEE MEMBERS- All members of the Council who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.</i></p> <p>(2) <i>COMPENSATION FOR NON-FEDERAL MEMBER- Section 5314 of title 5, United States Code, is amended by adding at the end the following:</i>  <i>'Independent Member of the Financial Stability Oversight Council (1).'</i></p>	
<p>(c) Duties- The Council shall have the following duties:</p> <p>(1) To advise the Congress on financial domestic and international regulatory developments, including insurance and accounting developments, and make recommendations that will enhance the integrity, efficiency, competitiveness, and stability of the United States financial markets.</p> <p>(2) To monitor the financial services marketplace to identify potential threats to the stability of the United States financial system.</p> <p>(3) To identify potential threats to the stability of the United States financial system that do not arise out of the financial services marketplace.</p> <p>(4) To develop strategies (and conduct exercises in furtherance of those strategies) to prepare for potential threats identified under paragraphs (2) and (3). In doing so, the Council shall collaborate with participants in the financial sector, financial sector coordinating councils, and any other parties the Council determines to be appropriate.</p> <p>(5) To subject financial companies and financial activities to stricter prudential standards in order to promote financial stability and mitigate systemic risk in accordance with subtitle B.</p> <p>(6) To issue formal recommendations that a Council member agency adopt stricter prudential standards for firms it regulates to mitigate systemic risk in accordance with subtitle B of this title.</p> <p>(7) To monitor international regulatory developments, including both insurance and accounting developments, and to identify</p>	<p><b>SEC. 112. COUNCIL AUTHORITY.</b></p> <p>(a) <i>Purposes and Duties of the Council-</i></p> <p>(1) <i>IN GENERAL- The purposes of the Council are--</i></p> <p>(A) <i>to identify risks to the financial stability of the United States that could arise from the material financial distress or failure of large, interconnected bank holding companies or nonbank financial companies;</i></p> <p>(B) <i>to promote market discipline, by eliminating expectations on the part of shareholders, creditors, and counterparties of such companies that the Government will shield them from losses in the event of failure; and</i></p> <p>(C) <i>to respond to emerging threats to the stability of the United States financial markets.</i></p> <p>(2) <i>DUTIES- The Council shall, in accordance with this title--</i></p> <p>(A) <i>collect information from member agencies and other Federal and State financial regulatory agencies and, if necessary, to assess risks to the United States financial system, direct the Office of Financial Research to collect information from bank holding companies and nonbank financial companies;</i></p> <p>(B) <i>provide direction to, and request data and analyses from, the Office of Financial Research to support the work of the Council;</i></p> <p>(C) <i>monitor the financial services marketplace in order</i></p>	<p>Section 112(a)(2)(M) of Senate bill appears by Sec. 1006 of House bill.</p> <p>Section 112(b)(3) to Section 112(b)(5) appears by Title I Subtitle B Section 1101 of the House bill.</p>

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<p>those developments that may conflict with the policies of the United States or place United States financial services firms or United States financial markets at a competitive disadvantage.</p> <p>(8) To facilitate information sharing and coordination among the members of the Council regarding financial services policy development, rulemakings, examinations, reporting requirements, and enforcement actions.</p> <p>(9) To provide a forum for discussion and analysis of emerging market developments and financial regulatory issues among its members.</p> <p>(10) At the request of an agency that is a Council member, to resolve a jurisdictional dispute between that agency and another agency that is a Council member in accordance with section 1002.</p> <p>(11) To review and submit comments to the Securities and Exchange Commission and any standards setting body with respect to an existing or proposed accounting principle, standard, or procedure.</p>	<p><i>to identify potential threats to the financial stability of the United States;</i></p> <p><i>(D) facilitate information sharing and coordination among the member agencies and other Federal and State agencies regarding domestic financial services policy development, rulemaking, examinations, reporting requirements, and enforcement actions;</i></p> <p><i>(E) recommend to the member agencies general supervisory priorities and principles reflecting the outcome of discussions among the member agencies;</i></p> <p><i>(F) identify gaps in regulation that could pose risks to the financial stability of the United States;</i></p> <p><i>(G) require supervision by the Board of Governors for nonbank financial companies that may pose risks to the financial stability of the United States in the event of their material financial distress or failure, pursuant to section 113;</i></p> <p><i>(H) make recommendations to the Board of Governors concerning the establishment of heightened prudential standards for risk-based capital, leverage, liquidity, contingent capital, resolution plans and credit exposure reports, concentration limits, enhanced public disclosures, and overall risk management for nonbank financial companies and large, interconnected bank holding companies supervised by the Board of Governors;</i></p> <p><i>(I) identify systemically important financial market utilities and payment, clearing, and settlement activities (as that term is defined in title VIII), and require such utilities and activities to be subject to standards established by the Board of Governors;</i></p> <p><i>(J) make recommendations to primary financial regulatory agencies to apply new or heightened standards and safeguards for financial activities or practices that could create or increase risks of significant liquidity, credit, or other problems spreading among bank holding companies, nonbank financial companies, and United States financial markets;</i></p> <p><i>(K) make determinations regarding exemptions in title VII, where necessary;</i></p> <p><i>(L) provide a forum for--</i></p>	

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	<p>(i) discussion and analysis of emerging market developments and financial regulatory issues; and</p> <p>(ii) resolution of jurisdictional disputes among the members of the Council; and</p> <p>(b) Authority To Obtain Information-</p> <p>(1) IN GENERAL- The Council may receive, and may request the submission of, any data or information from the Office of Financial Research and member agencies, as necessary--</p> <p>(A) to monitor the financial services marketplace to identify potential risks to the financial stability of the United States; or</p> <p>(B) to otherwise carry out any of the provisions of this title.</p> <p>(2) SUBMISSIONS BY THE OFFICE AND MEMBER AGENCIES- Notwithstanding any other provision of law, the Office of Financial Research and any member agency are authorized to submit information to the Council.</p>	
<p><b>SEC. 1002. RESOLUTION OF DISPUTES AMONG FEDERAL FINANCIAL REGULATORY AGENCIES.</b></p> <p>(a) Request for Dispute Resolution- The Council shall resolve a dispute among 2 or more Federal financial regulatory agencies if--</p> <p>(1) a Federal financial regulatory agency has a dispute with another Federal financial regulatory agency about the agencies' respective jurisdiction over a particular financial company or financial activity or product (excluding matters for which a dispute mechanism specifically has been provided under section 4204 or title III);</p> <p>(2) the disputing agencies cannot, after a demonstrated good faith effort, resolve the dispute among themselves; and</p> <p>(3) any of the Federal financial regulatory agencies involved in the dispute--</p> <p>(A) provides all other disputants prior notice of its intent to request dispute resolution by the Council; and</p> <p>(B) requests in writing, no earlier than 14 days after providing the notice described in paragraph (A), that the Council resolve the dispute.</p> <p>(b) Council Decision- The Council shall decide the dispute--</p>	<p><b>SEC. 119. RESOLUTION OF SUPERVISORY JURISDICTIONAL DISPUTES AMONG MEMBER AGENCIES.</b></p> <p>(a) Request for Dispute Resolution- The Council shall resolve a dispute among 2 or more member agencies, if--</p> <p>(1) a member agency has a dispute with another member agency about the respective jurisdiction over a particular bank holding company, nonbank financial company, or financial activity or product (excluding matters for which another dispute mechanism specifically has been provided under Federal law);</p> <p>(2) the Council determines that the disputing agencies cannot, after a demonstrated good faith effort, resolve the dispute without the intervention of the Council; and</p> <p>(3) any of the member agencies involved in the dispute--</p> <p>(A) provides all other disputants prior notice of the intent to request dispute resolution by the Council; and</p> <p>(B) requests in writing, not earlier than 14 days after providing the notice described in subparagraph (A), that the Council resolve the dispute.</p> <p>(b) Council Decision- The Council shall resolve each dispute described in subsection (a)--</p>	

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<p>(1) within a reasonable time after receiving the dispute resolution request;</p> <p>(2) after consideration of relevant information provided by each party to the dispute; and</p> <p>(3) by agreeing with 1 of the disputants regarding the entirety of the matter or by determining a compromise position.</p> <p>(c) Form and Binding Effect- A Council decision under this section shall be in writing and include an explanation and shall be binding on all Federal financial regulatory agencies that are parties to the dispute.</p>	<p><i>(1) within a reasonable time after receiving the dispute resolution request;</i></p> <p><i>(2) after consideration of relevant information provided by each agency party to the dispute; and</i></p> <p><i>(3) by agreeing with 1 of the disputants regarding the entirety of the matter, or by determining a compromise position.</i></p> <p><i>(c) Form and Binding Effect- A Council decision under this section shall-</i></p> <p><i>(1) be in writing;</i></p> <p><i>(2) include an explanation of the reasons therefor; and</i></p> <p><i>(3) be binding on all Federal agencies that are parties to the dispute.</i></p>	
<p><b>SEC. 1003. TECHNICAL AND PROFESSIONAL ADVISORY COMMITTEES.</b></p> <p>The Council is authorized to appoint--</p> <p>(1) subsidiary working groups composed of Council members and their staff, Council staff, or a combination; and</p> <p>(2) such temporary special advisory, technical, or professional committees as may be useful in carrying out its functions, which may be composed of Council members and their staff, other persons, or a combination.</p>	<p><b>SEC. 111. FINANCIAL STABILITY OVERSIGHT COUNCIL ESTABLISHED.</b></p> <p><i>(d) Technical and Professional Advisory Committees- The Council may appoint such special advisory, technical, or professional committees as may be useful in carrying out the functions of the Council, including an advisory committee consisting of State regulators, and the members of such committees may be members of the Council, or other persons, or both.</i></p>	
<p><b>SEC. 1004. FINANCIAL SERVICES OVERSIGHT COUNCIL MEETINGS AND COUNCIL GOVERNANCE.</b></p> <p>(a) Meetings- The Council shall meet as frequently as the Chairman deems necessary, but not less than quarterly.</p> <p>(b) Voting- Unless otherwise provided, the Council shall make all decisions the Council is required or authorized to make by a majority of the total voting membership of the Council under section 1001(b)(1).</p>	<p><b>SEC. 111. FINANCIAL STABILITY OVERSIGHT COUNCIL ESTABLISHED.</b></p> <p><i>(e) Meetings-</i></p> <p><i>(1) TIMING- The Council shall meet at the call of the Chairperson or a majority of the members then serving, but not less frequently than quarterly.</i></p> <p><i>(2) RULES FOR CONDUCTING BUSINESS- The Council shall adopt such rules as may be necessary for the conduct of the business of the Council. Such rules shall be rules of agency organization, procedure, or practice for purposes of section 553 of title 5, United States Code.</i></p> <p><i>(f) Voting- Unless otherwise specified, the Council shall make all decisions that it is authorized or required to make by a majority vote of the members then serving.</i></p>	
<p><b>SEC. 1005. COUNCIL STAFF AND FUNDING.</b></p>		<p>See Title I Subtitle B of the Senate bill below.</p>

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<p>(a) Voting Members of the Council- The Secretary of the Treasury shall and all other voting members of the Council may, with the approval of the Council--</p> <p>(1) detail permanent staff from the Department of the Treasury to provide the Council (and any temporary special advisory, technical, or professional committees appointed by the Council) with professional and expert support; and</p> <p>(2) provide such other services and facilities necessary for the performance of the Council's functions and fulfillment of the duties and mission of the Council.</p>		
<p>(b) Other Departments and Agencies- In addition to the assistance prescribed in subsection (a), departments and agencies of the United States may, with the approval of the Council--</p> <p>(1) detail department or agency staff on a temporary basis to provide additional support to the Council (and any special advisory, technical, or professional committees appointed by the Council); and</p> <p>(2) provide such services, and facilities as the other departments or agencies may determine advisable.</p> <p>(c) Staff Status; Council Funding-</p> <p>(1) STATUS- Staff detailed to the Council by the Secretary of the Treasury and other United States departments or agencies shall--</p> <p>(A) report to and be subject to oversight by the Council during their assignment to the Council; and</p> <p>(B) be compensated by the department of agency from which the staff was detailed.</p>	<p><b>SEC. 111. FINANCIAL STABILITY OVERSIGHT COUNCIL ESTABLISHED.</b></p> <p><i>(h) Assistance From Federal Agencies- Any department or agency of the United States may provide to the Council and any special advisory, technical, or professional committee appointed by the Council, such services, funds, facilities, staff, and other support services as the Council may determine advisable.</i></p> <p><i>(j) Detail of Government Employees- Any employee of the Federal Government may be detailed to the Council without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege. An employee of the Federal Government detailed to the Council shall report to and be subject to oversight by the Council during the assignment to the Council, and shall be compensated by the department or agency from which the employee was detailed.</i></p>	
<p>(2) FUNDING- The administrative expense of the Council shall be paid by the departments and agencies represented by voting members of the Council on an equal basis.</p>	<p><b>Subtitle A--Financial Stability Oversight Council</b></p> <p><b>SEC. 118. COUNCIL FUNDING.</b></p> <p><i>Any expenses of the Council shall be treated as expenses of, and paid by, the Office of Financial Research.</i></p> <p><b>Subtitle B--Office of Financial Research</b></p> <p><b>SEC. 155. FUNDING.</b></p> <p><i>(a) Financial Research Fund-</i></p>	

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	<p><i>(1) FUND ESTABLISHED- There is established in the Treasury of the United States a separate fund to be known as the 'Financial Research Fund'.</i></p> <p><i>(2) FUND RECEIPTS- All amounts provided to the Office under subsection (c), and all assessments that the Office receives under subsection (d) shall be deposited into the Financial Research Fund.</i></p> <p><i>(3) INVESTMENTS AUTHORIZED-</i></p> <p><i>(A) AMOUNTS IN FUND MAY BE INVESTED- The Director may request the Secretary to invest the portion of the Financial Research Fund that is not, in the judgment of the Director, required to meet the needs of the Office.</i></p> <p><i>(B) ELIGIBLE INVESTMENTS- Investments shall be made by the Secretary in obligations of the United States or obligations that are guaranteed as to principal and interest by the United States, with maturities suitable to the needs of the Financial Research Fund, as determined by the Director.</i></p> <p><i>(4) INTEREST AND PROCEEDS CREDITED- The interest on, and the proceeds from the sale or redemption of, any obligations held in the Financial Research Fund shall be credited to and form a part of the Financial Research Fund.</i></p> <p><i>(b) Use of Funds-</i></p> <p><i>(1) IN GENERAL- Funds obtained by, transferred to, or credited to the Financial Research Fund shall be immediately available to the Office, and shall remain available until expended, to pay the expenses of the Office in carrying out the duties and responsibilities of the Office.</i></p> <p><i>(2) FEES, ASSESSMENTS, AND OTHER FUNDS NOT GOVERNMENT FUNDS- Funds obtained by, transferred to, or credited to the Financial Research Fund shall not be construed to be Government funds or appropriated monies.</i></p> <p><i>(3) AMOUNTS NOT SUBJECT TO APPORTIONMENT- Notwithstanding any other provision of law, amounts in the Financial Research Fund shall not be subject to apportionment for purposes of chapter 15 of title 31, United States Code, or under any other authority, or for any other purpose.</i></p> <p><i>(c) Interim Funding- During the 2-year period following the date of enactment of this Act, the Board of Governors shall provide to the Office an amount sufficient to cover the expenses of the Office.</i></p> <p><i>(d) Permanent Self-funding-</i></p>	

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	<p><i>(1) IN GENERAL- Beginning 2 years after the date of enactment of this Act, the Secretary shall establish, by regulation, and with the approval of the Council, an assessment schedule, including the assessment base and rates, applicable to bank holding companies with total consolidated assets of \$50,000,000,000 or greater and nonbank financial companies supervised by the Board of Governors, that takes into account differences among such companies, based on the considerations for establishing the prudential standards under section 115, to collect assessments equal to the estimated total expenses of the Office.</i></p> <p><i>(2) SHORTFALL- To the extent that the assessments under paragraph (1) do not fully cover the total expenses of the Office, the Board of Governors shall provide to the Office an amount sufficient to cover the difference.</i></p>	
<p><b>SEC. 1006. REPORTS TO THE CONGRESS.</b></p> <p>(a) In General- Semiannually the Council shall submit a report to the Committee on Ways and Means, the Committee on Agriculture, and the Committee on Financial Services of the House of Representatives and the Committee on Finance, the Committee on Agriculture, and the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Comptroller General of the United States that--</p> <p>(1) describes significant financial and regulatory developments, including insurance and accounting regulations and standards, and assesses the impact of those developments on the stability of the financial system;</p> <p>(2) recommends actions that will improve financial stability;</p> <p>(3) details the size, scale, scope, concentration, activities, and interconnectedness of the 50 largest financial institutions, by total assets, in the United States;</p> <p>(4) describes strategies developed by the Council to respond to potential threats to the stability of the United States financial system and the outcome of exercises conducted in furtherance of those strategies;</p> <p>(5) describes the nature and scope of any company or activities identified under subtitle B and steps taken to address them; and</p> <p>(6) describes any dispute resolutions undertaken under section 1002 and the result of such resolutions.</p>	<p><b>SEC. 112. COUNCIL AUTHORITY.</b></p> <p><i>(a)(2)(M) annually report to and testify before Congress on--</i></p> <p><i>(i) the activities of the Council;</i></p> <p><i>(ii) significant financial market developments and potential emerging threats to the financial stability of the United States;</i></p> <p><i>(iii) all determinations made under section 113 or title VIII, and the basis for such determinations; and</i></p> <p><i>(iv) recommendations--</i></p> <p><i>(I) to enhance the integrity, efficiency, competitiveness, and stability of United States financial markets;</i></p> <p><i>(II) to promote market discipline; and</i></p> <p><i>(III) to maintain investor confidence.</i></p>	
<p>(b) Evaluation of Annual Report by GAO- Not later than 120 days after receiving the report required by subsection (a), the Comptroller General of the United States shall submit an evaluation of such report to the</p>		

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<p>Committee on Ways and Means, the Committee on Agriculture, and the Committee on Financial Services of the House of Representatives and the Committee on Finance, the Committee on Agriculture, and the Committee on Banking, Housing, and Urban Affairs of the Senate.</p>		
<p>(c) Statements by Voting Members of the Council- At the time each report is submitted under subsection (a), each voting member of the Council shall--</p> <p>(1) if such member believes that the Council, the Government, and the private sector are taking all reasonable steps to ensure financial stability and to prevent systemic risk that would negatively affect the economy, submit a signed statement to the Committee on Ways and Means, the Committee on Agriculture, and the Committee on Financial Services of the House of Representatives and the Committee on Finance, the Committee on Agriculture, and the Committee on Banking, Housing, and Urban Affairs of the Senate stating such belief; or</p> <p>(2) if such member does not believe that all reasonable steps described under paragraph (1) are being taken, submit a signed statement to the Committee on Ways and Means, the Committee on Agriculture, and the Committee on Financial Services of the House of Representatives and the Committee on Finance, the Committee on Agriculture, and the Committee on Banking, Housing, and Urban Affairs of the Senate stating what actions such member believes need to be taken in order to ensure that all reasonable steps described under paragraph (1) are taken.</p>		
<p>(d) Testimony by the Chairman- The Chairman of the Council shall appear before the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate at a semi-annual hearing, after the report is submitted under subsection (a)--</p> <p>(1) to discuss the efforts, activities, objectives, and plans of the Council; and</p> <p>(2) to discuss and answer questions concerning such report.</p>	<p><b><i>Subtitle B--Office of Financial Research</i></b></p> <p><b><i>SEC. 153. PURPOSE AND DUTIES OF THE OFFICE.</i></b></p> <p><i>(d) Testimony-</i></p> <p><i>(1) IN GENERAL- The Director of the Office shall report to and testify before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives annually on the activities of the Office, including the work of the Data Center and the Research and Analysis Center, and the assessment of the Office of significant financial market developments and potential</i></p>	

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	<p><i>emerging threats to the financial stability of the United States.</i>  <i>(2) NO PRIOR REVIEW- No officer or agency of the United States shall have any authority to require the Director to submit the testimony required under paragraph (1) or other Congressional testimony to any officer or agency of the United States for approval, comment, or review prior to the submission of such testimony. Any such testimony to Congress shall include a statement that the views expressed therein are those of the Director and do not necessarily represent the views of the President.</i></p>	
<p>(e) Study of Effects Consumer Financial Protection Agency Regulations and Standards-</p> <p>(1) STUDY REQUIRED- The Council shall conduct a study of the effects that regulations and standards of the Consumer Financial Protection Agency will have on all covered persons (as such term is defined in section 4002(9)), including nondepository institution covered persons. The Director of the Consumer Financial Protection Agency shall take the findings of the study into account when issuing regulations.</p> <p>(2) VALUE OF NONBANK PRODUCTS- The study shall include an evaluation and assessment of the appropriateness of using `APR' as a true measure of the value of all nonbank products.</p> <p>(3) SUBMISSION- Not later than 240 days after the date of the enactment of this Act, the Director of the Consumer Financial Protection Agency shall submit the study to Congress and include any recommendations the Director may have for changes in law and regulations to improve consumer protections and maintain access to credit.</p>		
<p><b>SEC. 1007. APPLICABILITY OF CERTAIN FEDERAL LAWS.</b></p> <p>(a) The Federal Advisory Committee Act shall not apply to the Financial Services Oversight Council, or any special advisory, technical, or professional committees appointed by the Council (except that, if an advisory, technical, or professional committee has one or more members who are not employees of or affiliated with the United States government, the Council shall publish a list of the names of the members of such</p>	<p><i>Subtitle A--Financial Stability Oversight Council</i>  <i>SEC. 111. FINANCIAL STABILITY OVERSIGHT COUNCIL ESTABLISHED</i>  <i>(g) Nonapplicability of FACA- The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Council, or to any special advisory, technical, or professional committee appointed by the Council, except that, if an advisory, technical, or professional committee has one or more</i></p>	

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<p>committee).</p> <p>(b) The Council shall not be deemed an `agency' for purposes of any State or Federal law.</p>	<p><i>members who are not employees of or affiliated with the United States Government, the Council shall publish a list of the names of the members of such committee.</i></p>	
<p><b>SEC. 1008. OVERSIGHT BY GAO.</b></p> <p>(a) Authority to Audit- The Comptroller General of the United States may audit the activities and financial transactions of--</p> <ul style="list-style-type: none"> <li>(1) the Council; and</li> <li>(2) any person or entity acting on behalf of or under the authority of the Council, to the extent such activities and financial transactions relate to such person's or entity's work for the Council.</li> </ul> <p>(b) Access to Information-</p> <ul style="list-style-type: none"> <li>(1) IN GENERAL- Notwithstanding any other provision of law, the Comptroller General of the United States shall have access, upon request and at such reasonable time and in such reasonable form as the Comptroller General may request, to-- <ul style="list-style-type: none"> <li>(A) any records or other information under the control of or used by the Council;</li> <li>(B) any records or other information under the control of a person or entity acting on behalf of or under the authority of the Council, to the extent such records or other information is relevant to an audit under subsection (a); and</li> <li>(C) the officers, directors, employees, financial advisors, staff, working groups, and agents and representatives of the Council (as related to the agent's or representative's activities on behalf of the Council) at such reasonable times as the Comptroller General may request.</li> </ul> </li> <li>(2) CERTAIN INFORMATION SPECIFIED- Access under paragraph (1) includes access to-- <ul style="list-style-type: none"> <li>(A) information provided to the Council by its voting and nonvoting members under section 1101; and</li> <li>(B) the identity of each financial holding company subject to stricter standards.</li> </ul> </li> <li>(3) COPIES- Comptroller General may make and retain copies of such books, accounts, and other records access to which is granted under this provision as the Comptroller General considers appropriate.</li> </ul> <p>(c) Periodic Evaluations- The Comptroller General of the United States</p>		

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<p>shall periodically evaluate the processes and activities of the Council and the extent to which the Council is fulfilling its duties under this title. The Comptroller General shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report on the results of each such evaluation.</p>		
	<p style="text-align: center;"><b>TITLE I--FINANCIAL STABILITY</b></p> <p style="text-align: center;"><b>Subtitle B--Office of Financial Research</b></p> <p><b>SEC. 151. DEFINITIONS.</b></p> <p><i>For purposes of this subtitle--</i></p> <p>(1) the terms `Office' and `Director' mean the Office of Financial Research established under this subtitle and the Director thereof, respectively;</p> <p>(2) the term `financial company' has the same meaning as in title II, and includes an insured depository institution and an insurance company;</p> <p>(3) the term `Data Center' means the data center established under section 154;</p> <p>(4) the term `Research and Analysis Center' means the research and analysis center established under section 154;</p> <p>(5) the term `financial transaction data' means the structure and legal description of a financial contract, with sufficient detail to describe the rights and obligations between counterparties and make possible an independent valuation;</p> <p>(6) the term `position data'--</p> <p style="padding-left: 40px;">(A) means data on financial assets or liabilities held on the balance sheet of a financial company, where positions are created or changed by the execution of a financial transaction; and</p> <p style="padding-left: 40px;">(B) includes information that identifies counterparties, the valuation by the financial company of the position, and information that makes possible an independent valuation of the position;</p> <p>(7) the term `financial contract' means a legally binding agreement between 2 or more counterparties, describing rights and obligations relating to the future delivery of items of intrinsic or extrinsic value among the counterparties; and</p>	

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	<p>(8) the term 'financial instrument' means a financial contract in which the terms and conditions are publicly available, and the roles of one or more of the counterparties are assignable without the consent of any of the other counterparties (including common stock of a publicly traded company, government bonds, or exchange traded futures and options contracts).</p>	
	<p><b>SEC. 152. OFFICE OF FINANCIAL RESEARCH ESTABLISHED.</b></p> <p>(a) Establishment- There is established within the Department of the Treasury the Office of Financial Research.</p> <p>(b) Director-</p> <p>(1) IN GENERAL- The Office shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate.</p> <p>(2) TERM OF SERVICE- The Director shall serve for a term of 6 years, except that, in the event that a successor is not nominated and confirmed by the end of the term of service of a Director, the Director may continue to serve until such time as the next Director is appointed and confirmed.</p> <p>(3) EXECUTIVE LEVEL- The Director shall be compensated at level III of the Executive Schedule.</p> <p>(4) PROHIBITION ON DUAL SERVICE- The individual serving in the position of Director may not, during such service, also serve as the head of any financial regulatory agency.</p> <p>(5) RESPONSIBILITIES, DUTIES, AND AUTHORITY- The Director shall have sole discretion in the manner in which the Director fulfills the responsibilities and duties and exercises the authorities described in this subtitle.</p> <p>(c) Budget- The Director, in consultation with the Chairperson, shall establish the annual budget of the Office.</p> <p>(d) Office Personnel-</p> <p>(1) IN GENERAL- The Director, in consultation with the Chairperson, may fix the number of, and appoint and direct, all employees of the Office.</p> <p>(2) COMPENSATION- The Director, in consultation with the Chairperson, shall fix, adjust, and administer the pay for all employees of the Office, without regard to chapter 51 or subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.</p>	

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	<p>(3) <i>COMPARABILITY- Section 1206(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833b(a)) is amended--</i></p> <p style="padding-left: 40px;">(A) <i>by striking `Finance Board,' and inserting `Finance Board, the Office of Financial Research, and the Bureau of Consumer Financial Protection'; and</i></p> <p style="padding-left: 40px;">(B) <i>by striking `and the Office of Thrift Supervision,'.</i></p> <p>(e) <i>Assistance From Federal Agencies- Any department or agency of the United States may provide to the Office and any special advisory, technical, or professional committees appointed by the Office, such services, funds, facilities, staff, and other support services as the Office may determine advisable. Any Federal Government employee may be detailed to the Office without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.</i></p> <p>(f) <i>Procurement of Temporary and Intermittent Services- The Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.</i></p> <p>(g) <i>Contracting and Leasing Authority- Notwithstanding the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.) or any other provision of law, the Director may--</i></p> <p style="padding-left: 40px;">(1) <i>enter into and perform contracts, execute instruments, and acquire, in any lawful manner, such goods and services, or personal or real property (or property interest), as the Director deems necessary to carry out the duties and responsibilities of the Office; and</i></p> <p style="padding-left: 40px;">(2) <i>hold, maintain, sell, lease, or otherwise dispose of the property (or property interest) acquired under paragraph (1).</i></p> <p>(h) <i>Non-compete- The Director and any staff of the Office who has had access to the transaction or position data maintained by the Data Center or other business confidential information about financial entities required to report to the Office, may not, for a period of 1 year after last having access to such transaction or position data or business confidential information, be employed by or provide advice or consulting services to a financial company, regardless of whether that entity is required to report to the Office. For staff whose access to business confidential information was limited, the Director may provide, on a case-by-case basis, for a shorter period of post-employment prohibition, provided that the shorter period does not compromise business confidential information.</i></p> <p>(i) <i>Technical and Professional Advisory Committees- The Office, in</i></p>	

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	<p><i>consultation with the Chairperson, may appoint such special advisory, technical, or professional committees as may be useful in carrying out the functions of the Office, and the members of such committees may be staff of the Office, or other persons, or both.</i></p> <p><i>(j) Fellowship Program- The Office, in consultation with the Chairperson, may establish and maintain an academic and professional fellowship program, under which qualified academics and professionals shall be invited to spend not longer than 2 years at the Office, to perform research and to provide advanced training for Office personnel.</i></p> <p><i>(k) Executive Schedule Compensation- Section 5314 of title 5, United States Code, is amended by adding at the end the following new item: `Director of the Office of Financial Research.`.</i></p>	
	<p><b>SEC. 153. PURPOSE AND DUTIES OF THE OFFICE.</b></p> <p><i>(a) Purpose and Duties- The purpose of the Office is to support the Council in fulfilling the purposes and duties of the Council, as set forth in subtitle A, and to support member agencies, by--</i></p> <ul style="list-style-type: none"> <li><i>(1) collecting data on behalf of the Council, and providing such data to the Council and member agencies;</i></li> <li><i>(2) standardizing the types and formats of data reported and collected;</i></li> <li><i>(3) performing applied research and essential long-term research;</i></li> <li><i>(4) developing tools for risk measurement and monitoring;</i></li> <li><i>(5) performing other related services;</i></li> <li><i>(6) making the results of the activities of the Office available to financial regulatory agencies; and</i></li> <li><i>(7) assisting such member agencies in determining the types and formats of data authorized by this Act to be collected by such member agencies.</i> <p><i>(b) Administrative Authority- The Office may--</i></p> <ul style="list-style-type: none"> <li><i>(1) share data and information, including software developed by the Office, with the Council and member agencies, which shared data, information, and software--</i> <ul style="list-style-type: none"> <li><i>(A) shall be maintained with at least the same level of security as is used by the Office; and</i></li> <li><i>(B) may not be shared with any individual or entity without the permission of the Council;</i></li> </ul> </li> <li><i>(2) sponsor and conduct research projects; and</i></li> </ul> </li></ul>	<p>Section 153(d) moved to Section 1006(d) of House bill.</p>

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	<p>(3) assist, on a reimbursable basis, with financial analyses undertaken at the request of other Federal agencies that are not member agencies.</p> <p>(c) Rulemaking Authority-</p> <p>(1) SCOPE- The Office, in consultation with the Chairperson, shall issue rules, regulations, and orders only to the extent necessary to carry out the purposes and duties described in paragraphs (1), (2), and (7) of subsection (a).</p> <p>(2) STANDARDIZATION- Member agencies, in consultation with the Office, shall implement regulations promulgated by the Office under paragraph (1) to standardize the types and formats of data reported and collected on behalf of the Council, as described in subsection (a)(2). If a member agency fails to implement such regulations prior to the expiration of the 3-year period following the date of publication of final regulations, the Office, in consultation with the Chairperson, may implement such regulations with respect to the financial entities under the jurisdiction of the member agency.</p> <p>(e) Additional Reports- The Director may provide additional reports to Congress concerning the financial stability of the United States. The Director shall notify the Council of any such additional reports provided to Congress.</p> <p>(f) Subpoena-</p> <p>(1) IN GENERAL- The Director may require, by subpoena, the production of the data requested under subsection (a)(1) and section 154(b)(1), but only upon a written finding by the Director that--</p> <p>(A) such data is required to carry out the functions described under this subtitle; and</p> <p>(B) the Office has coordinated with such agency, as required under section 154(b)(1)(B)(ii).</p> <p>(2) FORMAT- Subpoenas under paragraph (1) shall bear the signature of the Director, and shall be served by any person or class of persons designated by the Director for that purpose.</p> <p>(3) ENFORCEMENT- In the case of contumacy or failure to obey a subpoena, the subpoena shall be enforceable by order of any appropriate district court of the United States. Any failure to obey the order of the court may be punished by the court as a contempt of court.</p>	
<b>SEC. 154. ORGANIZATIONAL STRUCTURE; RESPONSIBILITIES OF</b>		

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	<p><b>PRIMARY PROGRAMMATIC UNITS.</b></p> <p><i>(a) In General- There are established within the Office, to carry out the programmatic responsibilities of the Office--</i></p> <p style="padding-left: 40px;"><i>(1) the Data Center; and</i></p> <p style="padding-left: 40px;"><i>(2) the Research and Analysis Center.</i></p> <p><i>(b) Data Center-</i></p> <p style="padding-left: 40px;"><b>(1) GENERAL DUTIES-</b></p> <p style="padding-left: 80px;"><i>(A) DATA COLLECTION- The Data Center, on behalf of the Council, shall collect, validate, and maintain all data necessary to carry out the duties of the Data Center, as described in this subtitle. The data assembled shall be obtained from member agencies, commercial data providers, publicly available data sources, and financial entities under subparagraph (B).</i></p> <p style="padding-left: 80px;"><b>(B) AUTHORITY-</b></p> <p style="padding-left: 120px;"><i>(i) IN GENERAL- The Office may, as determined by the Council or by the Director in consultation with the Council, require the submission of periodic and other reports from any financial company for the purpose of assessing the extent to which a financial activity or financial market in which the financial company participates, or the financial company itself, poses a threat to the financial stability of the United States.</i></p> <p style="padding-left: 120px;"><i>(ii) MITIGATION OF REPORT BURDEN- Before requiring the submission of a report from any financial company that is regulated by a member agency or any primary financial regulatory agency, the Office shall coordinate with such agencies and shall, whenever possible, rely on information available from such agencies.</i></p> <p style="padding-left: 80px;"><i>(C) RULEMAKING- The Office shall promulgate regulations pursuant to subsections (a)(1), (a)(2), (a)(7), and (c)(1) of section 153 regarding the type and scope of the data to be collected by the Data Center under this paragraph.</i></p> <p style="padding-left: 40px;"><b>(2) RESPONSIBILITIES-</b></p> <p style="padding-left: 80px;"><i>(A) PUBLICATION- The Data Center shall prepare</i></p>	

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	<p><i>and publish, in a manner that is easily accessible to the public--</i></p> <ul style="list-style-type: none"> <li><i>(i) a financial company reference database;</i></li> <li><i>(ii) a financial instrument reference database;</i></li> <li><i>and</i></li> <li><i>(iii) formats and standards for Office data, including standards for reporting financial transaction and position data to the Office.</i></li> </ul> <p><i>(B) CONFIDENTIALITY- The Data Center shall not publish any confidential data under subparagraph (A).</i></p> <p><i>(3) INFORMATION SECURITY- The Director shall ensure that data collected and maintained by the Data Center are kept secure and protected against unauthorized disclosure.</i></p> <p><i>(4) CATALOG OF FINANCIAL ENTITIES AND INSTRUMENTS- The Data Center shall maintain a catalog of the financial entities and instruments reported to the Office.</i></p> <p><i>(5) AVAILABILITY TO THE COUNCIL AND MEMBER AGENCIES- The Data Center shall make data collected and maintained by the Data Center available to the Council and member agencies, as necessary to support their regulatory responsibilities.</i></p> <p><i>(6) OTHER AUTHORITY- The Office shall, after consultation with the member agencies, provide certain data to financial industry participants and to the general public to increase market transparency and facilitate research on the financial system, to the extent that intellectual property rights are not violated, business confidential information is properly protected, and the sharing of such information poses no significant threats to the financial system of the United States.</i></p> <p><i>(c) Research and Analysis Center-</i></p> <ul style="list-style-type: none"> <li><i>(1) GENERAL DUTIES- The Research and Analysis Center, on behalf of the Council, shall develop and maintain independent analytical capabilities and computing resources--</i> <ul style="list-style-type: none"> <li><i>(A) to develop and maintain metrics and reporting systems for risks to the financial stability of the United States;</i></li> <li><i>(B) to monitor, investigate, and report on changes in system-wide risk levels and patterns to the Council and Congress;</i></li> <li><i>(C) to conduct, coordinate, and sponsor research to support and improve regulation of financial entities and markets;</i></li> </ul> </li> </ul>	

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	<p>(D) to evaluate and report on stress tests or other stability-related evaluations of financial entities overseen by the member agencies;</p> <p>(E) to maintain expertise in such areas as may be necessary to support specific requests for advice and assistance from financial regulators;</p> <p>(F) to investigate disruptions and failures in the financial markets, report findings, and make recommendations to the Council based on those findings;</p> <p>(G) to conduct studies and provide advice on the impact of policies related to systemic risk; and</p> <p>(H) to promote best practices for financial risk management.</p> <p>(d) Reporting Responsibilities-</p> <p>(1) <b>REQUIRED REPORTS-</b> Not later than 2 years after the date of enactment of this Act, and not later than 120 days after the end of each fiscal year thereafter, the Office shall prepare and submit a report to Congress.</p> <p>(2) <b>CONTENT-</b> Each report required by this subsection shall assess the state of the United States financial system, including--</p> <p>(A) an analysis of any threats to the financial stability of the United States;</p> <p>(B) the status of the efforts of the Office in meeting the mission of the Office; and</p> <p>(C) key findings from the research and analysis of the financial system by the Office.</p>	
	<p><b>SEC. 156. TRANSITION OVERSIGHT.</b></p> <p>(a) Purpose- The purpose of this section is to ensure that the Office--</p> <p>(1) has an orderly and organized startup;</p> <p>(2) attracts and retains a qualified workforce; and</p> <p>(3) establishes comprehensive employee training and benefits programs.</p> <p>(b) Reporting Requirement-</p> <p>(1) <b>IN GENERAL-</b> The Office shall submit an annual report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives that includes the plans described in paragraph (2).</p>	

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	<p><i>(2) PLANS- The plans described in this paragraph are as follows:</i></p> <p><i>(A) TRAINING AND WORKFORCE DEVELOPMENT PLAN- The Office shall submit a training and workforce development plan that includes, to the extent practicable--</i></p> <ul style="list-style-type: none"> <li><i>(i) identification of skill and technical expertise needs and actions taken to meet those requirements;</i></li> <li><i>(ii) steps taken to foster innovation and creativity;</i></li> <li><i>(iii) leadership development and succession planning; and</i></li> <li><i>(iv) effective use of technology by employees.</i></li> </ul> <p><i>(B) WORKPLACE FLEXIBILITY PLAN- The Office shall submit a workforce flexibility plan that includes, to the extent practicable--</i></p> <ul style="list-style-type: none"> <li><i>(i) telework;</i></li> <li><i>(ii) flexible work schedules;</i></li> <li><i>(iii) phased retirement;</i></li> <li><i>(iv) reemployed annuitants;</i></li> <li><i>(v) part-time work;</i></li> <li><i>(vi) job sharing;</i></li> <li><i>(vii) parental leave benefits and childcare assistance;</i></li> <li><i>(viii) domestic partner benefits;</i></li> <li><i>(ix) other workplace flexibilities; or</i></li> <li><i>(x) any combination of the items described in clauses (i) through (ix).</i></li> </ul> <p><i>(C) RECRUITMENT AND RETENTION PLAN- The Office shall submit a recruitment and retention plan that includes, to the extent practicable, provisions relating to--</i></p> <ul style="list-style-type: none"> <li><i>(i) the steps necessary to target highly qualified applicant pools with diverse backgrounds;</i></li> <li><i>(ii) streamlined employment application processes;</i></li> <li><i>(iii) the provision of timely notification of the status of employment applications to applicants; and</i></li> <li><i>(iv) the collection of information to measure</i></li> </ul>	

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	<p style="text-align: center;"><i>indicators of hiring effectiveness.</i></p> <p><i>(c) Expiration- The reporting requirement under subsection (b) shall terminate 5 years after the date of enactment of this Act.</i></p> <p><i>(d) Rule of Construction- Nothing in this section may be construed to affect--</i></p> <p style="padding-left: 40px;"><i>(1) a collective bargaining agreement, as that term is defined in section 7103(a)(8) of title 5, United States Code, that is in effect on the date of enactment of this Act; or</i></p> <p style="padding-left: 40px;"><i>(2) the rights of employees under chapter 71 of title 5, United States Code.</i></p>	