

Jones	McSally	Rush
Kelly (IL)	Meadows	Thompson (CA)
Lipinski	Mooney (WV)	Vela
McCaul	Pingree	Walz

□ 1418

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO MODIFY AMENDMENT NO. 1 PRINTED IN HOUSE REPORT 115-613 TO H.R. 4566, ALLEVIATING STRESS TEST BURDENS TO HELP INVESTORS ACT

Ms. MAXINE WATERS of California. Mr. Speaker, I ask unanimous consent to modify amendment No. 1 printed in House Report 115-613 with the modification placed at the desk.

The SPEAKER pro tempore. The Clerk will report the modification.

The Clerk read as follows:

MODIFICATION TO AMENDMENT NO. 1 PRINTED IN HOUSE REPORT NO. 115-613 OFFERED BY MS. MAXINE WATERS OF CALIFORNIA

Page 1, line 10, strike "and".

Page 2, after line 7, insert the following:

(D) in clause (vi), as so redesignated, by striking "clause (ii)" and inserting "clause (iii)"; and

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The amendment is modified.

ALLEVIATING STRESS TEST BURDENS TO HELP INVESTORS ACT

Mr. HENSARLING. Mr. Speaker, pursuant to House Resolution 787, I call up the bill (H.R. 4566) to amend the Dodd-Frank Wall Street Reform and Consumer Protection Act to provide relief to nonbanks from certain stress test requirements under such Act, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 787, in lieu of the amendment in the nature of a substitute recommended by the Committee on Financial Services printed in the bill, an amendment in the nature of a substitute consisting of the text of Rules Committee Print 115-65, is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 4566

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Alleviating Stress Test Burdens to Help Investors Act".

SEC. 2. STRESS TEST RELIEF FOR NONBANKS.

Section 165(i) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5365(i)) is amended—

(1) in paragraph (1)(B)(ii), by striking "and nonbank financial companies"; and

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "are regulated by a primary Federal financial regulatory agency" and inserting: "whose primary financial regulatory agency is a Federal banking agency or the Federal Housing Finance Agency";

(B) in subparagraph (C), by striking "Each Federal primary financial regulatory agency" and inserting "Each Federal banking agency and the Federal Housing Finance Agency"; and
(C) by adding at the end the following:

"(D) SEC AND CFTC.—The Securities and Exchange Commission and the Commodity Futures Trading Commission may each issue regulations requiring financial companies with respect to which they are the primary financial regulatory agency and that have total consolidated assets of more than \$10,000,000,000 to conduct periodic analyses of the financial condition, including available liquidity, of such companies under adverse economic conditions."

SEC. 3. RULE OF CONSTRUCTION.

Nothing in this Act shall be construed to limit the authority of the Financial Stability Oversight Council under section 120 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5330).

The SPEAKER pro tempore. The bill, as amended, shall be debatable for 1 hour equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services.

After 1 hour of debate on the bill, as amended, it shall be in order to consider the further amendment printed in House Report 115-613, as modified by the order of the House of today, if offered by the Member designated in the report, which shall be considered read, shall be separately debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, and shall not be subject to a demand for a division of the question.

The gentleman from Texas (Mr. HENSARLING) and the gentlewoman from California (Ms. MAXINE WATERS) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and to include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HENSARLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 4566, the Alleviating Stress Test Burdens to Help Investors Act.

Mr. Speaker, I especially want to thank the gentleman from Maine (Mr. POLIQUIN), one of the most hard-working, enthusiastic, cheerful members of the House Financial Services Committee for all the work that he has done to advance this very strong piece of bipartisan legislation, which, incidentally, passed the Financial Services Committee again with another strong bipartisan vote of 47-8.

Now, the financial crisis led to questions, both domestically and internationally, about how to address financial stability and create a regulatory framework to mitigate systemic risk, all the while ensuring robust economic growth.

At the heart of this bill of the gentleman from Maine is a recognition that our economy can suffer when we get it wrong, when government attempts to dictate the business models and operational objectives of so many of our businesses. It is also a recognition that one-size-fits-all regulations can stifle economic growth and ultimately harm consumers and harm our constituents.

Current bank-centric standards and assessments to nonbank industries, such as the asset management industry, have needlessly saddled Main Street investors with increased costs while they are trying to save for college or retirement or some other important need, and this is perhaps no clearer than in this stress testing regime.

As a former SEC chief economist observed in 2016, who said that, in the current law, "stress test the big banks; and, oh, you might as well go ahead and do the asset management companies." That is his take of what the law says.

In other words, asset management firms that, again, our constituents depend upon for their retirement security or for their financial planning are now subject to bank regulations simply because they operate under the financial services umbrella, even though such firms plainly have legal, structural, and operational characteristics that make them very, very different from banks.

By the way, none of the asset managers had anything to do with the financial crisis that brought about the legislation that we are debating in the first place. For example, unlike banks, asset managers do not have access to the deposit insurance fund or the Fed's discount window.

If that is not enough for you, Mr. Speaker, here is more. Asset managers are legally separated—legally separated from the funds they manage, meaning that the asset and liabilities of the manager are distinct from the assets and liabilities of the funds.

On the other hand, the bank business model directly subjects the bank to the risks and obligations of its assets and liabilities. Again, applying a one-size-fits-all regulatory structure—in this case, a bank-centric model—is not only bad for the asset management industry, but, far more importantly, for our constituents that they serve, who choose to save and invest.

Registered funds are the investment vehicle choices for millions of Americans seeking to buy a home, pay for college, plan for financial security and retirement. Application of unnecessary, ill-suited, bank-centric stress testing requirements to register funds