

Polis	Schneider	Titus
Price (NC)	Schrader	Tonko
Quigley	Scott (VA)	Torres
Raskin	Scott, David	Tsongas
Rice (NY)	Serrano	Vargas
Richmond	Sewell (AL)	Veasey
Rosen	Sherman	Vela
Roybal-Allard	Sires	Velázquez
Ruiz	Smith (WA)	Visclosky
Ruppersberger	Soto	Wasserman
Rush	Speier	Schultz
Ryan (OH)	Suozzi	Waters, Maxine
Sánchez	Swalwell (CA)	Watson Coleman
Sarbanes	Takano	Welch
Schakowsky	Thompson (CA)	Wilson (FL)
Schiff	Thompson (MS)	Yarmuth

NOT VOTING—14

Bishop (GA)	Hudson	Shea-Porter
Brady (TX)	Issa	Simpson
Castor (FL)	Moore	Walden
Frankel (FL)	Peters	Walz
Gosar	Rohrabacher	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining.

□ 1415

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.

THE JOURNAL

The SPEAKER pro tempore. The unfinished business is the question on agreeing to the Speaker's approval of the Journal, which the Chair will put de novo.

The question is on the Speaker's approval of the Journal.

Pursuant to clause 1, rule I, the Journal stands approved.

ELECTING A MEMBER TO A CERTAIN STANDING COMMITTEE OF THE HOUSE OF REPRESENTATIVES

Mr. CROWLEY. Mr. Speaker, by direction of the Democratic Caucus, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 816

Resolved, That the following named Member be and is hereby elected to the following standing committee of the House of Representatives:

(1) COMMITTEE ON RULES.—Mrs. Torres.

The resolution was agreed to.

A motion to reconsider was laid on the table.

STRESS TEST IMPROVEMENT ACT OF 2017

Mr. HENSARLING. Mr. Speaker, pursuant to House Resolution 780, I call up the bill (H.R. 4293) to reform the Comprehensive Capital Analysis and Review process, the Dodd-Frank Act Stress Test process, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. KATKO). Pursuant to House Resolution

780, 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 115-63, modified by the amendment printed in part B of House Report 115-600, is adopted, and the bill, as amended, is considered read.

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

H.R. 4293

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 "Stress Test Improvement Act of 2017".

SEC. 2. CCAR AND DFAST REFORMS.

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)—
(A) in subparagraph (B)(i)—
(i) by striking "3 different" and inserting "2 different"; and

(ii) by striking "adverse," and
(B) by adding at the end the following:

"(C) CCAR REQUIREMENTS.—

"(i) LIMITATION ON QUALITATIVE CAPITAL PLANNING OBJECTIONS.—*In carrying out CCAR, the Board of Governors may not object to a company's capital plan on the basis of qualitative deficiencies in the company's capital planning process.*

"(ii) CCAR DEFINED.—*For purposes of this subparagraph and subparagraph (E), the term "CCAR" means the Comprehensive Capital Analysis and Review established by the Board of Governors.*"; and

(2) in paragraph (2)—
(A) in subparagraph (A), by striking "semi-annual" and inserting "annual"; and
(B) in subparagraph (C)(ii), by striking "3 different sets of conditions, including baseline, adverse," and inserting "2 different sets of conditions, including baseline".

SEC. 3. RULE OF CONSTRUCTION.

The amendments made by this Act may not be construed to prohibit an appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)) from—

(1) ensuring the safety and soundness of an entity regulated by such an appropriate Federal banking agency; and

(2) ensuring compliance with applicable laws, regulations, and supervisory policies, and the following of appropriate guidance, by an entity regulated by such an appropriate Federal banking agency.

SEC. 4. REDUCTION OF SURPLUS FUNDS OF FEDERAL RESERVE BANKS.

(a) IN GENERAL.—*Section 7(a)(3)(A) of the Federal Reserve Act (12 U.S.C. 289(a)(3)(A)) is amended by striking "\$7,500,000,000" and inserting "\$7,480,000,000".*

(b) EFFECTIVE DATE.—*Subsection (a) shall take effect on June 1, 2018.*

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.

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 Mem-

bers may have 5 legislative days in which to revise and extend their remarks and submit 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 very strong support of H.R. 4293, the Stress Test Improvement Act of 2017. I want to thank the gentleman from New York (Mr. ZELDIN), who is a real workhorse on the Financial Services Committee and a real leader in trying to ensure that we have affordable credit for our constituents so that they can achieve the American Dream. In his legislation, he will bring clarity and reasonableness to the stress test regime.

Currently, as we know, banks face two separate, legally mandated stress tests: the CCAR and the DFAST. Together, these two programs constitute one of the greatest expansions of the Federal Reserve's supervisory powers in recent history. But what is important to note, Mr. Speaker, is that, in addition to these mandated stress tests, banks conduct stress tests every single week on one asset class or another.

It is important to know how banks can withstand tough, stormy financial weather, but this was taking place even prior to either DFAST or CCAR. What has happened now, Mr. Speaker, is these particular tests are incredibly onerous to the point where the reports are not just measured in pages, they are measured in pounds, and it is doubtful that anyone actually reads them.

Then, to compound the challenge, Mr. Speaker, the Federal Reserve's stress tests have become kind of a cat-and-mouse exercise in which the Fed staff and compliance officers attempt to outwit each other in a game that has no rules and no transparency. In other words, it is a secret test. Nobody really knows what is on it. It is difficult for Congress, it is difficult for the public to even assess whether or not these tests are effective.

Mr. Speaker, it is very important to note, if you don't know what is on the test, how can you adhere to the rule of law if you don't know what the law is? And so something really needs to change here.

Now, it is fortunate that yesterday the Federal Reserve finally took action to begin to simplify and refine the CCAR stress testing regime. Recognizing the opacity of the stress test regime, Federal Reserve Vice Chairman for Supervision Randy Quarles said in a statement: "Our regulatory measures are most effective when they are as simple and transparent as possible." I couldn't agree more, as does the gentleman from New York as well.