For purposes of this no-action letter only, the following definitions shall apply:

Eligible treasury affiliate means a person that meets each of the following qualifications:

(i) The person is (A) directly, wholly-owned by a non-financial entity or another eligible treasury affiliate (its ''non-financial parent''), and (B) is not indirectly majority-owned by a financial entity, as defined in section 2(h)(7)(C)(i) of the CEA;

(ii) The person's ultimate parent is not a financial entity as defined in section 2(h)(7)(C)(i) of the CEA;

(iii) The person is a financial entity as defined in section 2(h)(7)(C)(i)(VIII) of the CEA solely as a result of acting as principal to swaps with, or on behalf of, one or more of its related affiliates, or providing other services that are financial in nature to such related affiliates;

(iv) The person is not, and is not affiliated with, any of the following:

(A) a swap dealer;

(B) a major swap participant;

(C) a security-based swap dealer; or

(D) a major security-based swap participant.

(v) The person is not any of the following:

(A) a private fund as defined in section 202(a) of the Investment Advisors Act of 1940 (15 U.S.C. §80–b–2(a));

(B) a commodity pool;

(C) an employee benefit plan as defined in paragraphs (3) and (32) of section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. §1002);

(D) a bank holding company;

(E) an insured depository institution;

(F) a farm credit system institution;

(G) a credit union;

(H) a nonbank financial company that has been designated as systemically important by the Financial Stability Oversight Council; or

(I) an entity engaged in the business of insurance and subject to capital requirements established by an insurance governmental authority of a State, a territory of the United States, the District of Columbia, a country other than the United States, or a political subdivision of a country other than the United States that is engaged in the supervision of insurance companies under insurance law.

(vi) The person does not provide any services, financial or otherwise, to any affiliate that is a nonbank financial company that has been designated as systemically important by the Financial Stability Oversight Council.

Non-financial entity means a person that is not a financial entity as defined in section 2(h)(7)(C)(i) of the CEA.

Related affiliate means with respect to an eligible treasury affiliate:

(i) A non-financial entity that is, or is directly or indirectly wholly- or majority-owned by, the ultimate parent; or

(ii) A person that is another eligible treasury affiliate.

The Division will not recommend that the Commission commence an enforcement action against an eligible treasury affiliate for its failure to comply with the requirements under section 2(h)(1)(A) of the CEA and part 50 of the Commission's regulations to clear a swap with an unaffiliated counterparty or another eligible treasury affiliate (the ''exempted swap'') that is subject to required clearing pursuant to §50.4 of the Commission's regulations, subject to the following conditions:

GENERAL CONDITIONS TO THE SWAP ACTIVITY

(i) The eligible treasury affiliate enters into the exempted swap for the sole purpose of hedging or mitigating the commercial risk of one or more related affiliates that was transferred to the eligible treasury affiliate;

(ii) The eligible treasury affiliate does not enter into swaps with its related affiliates or unaffiliated counterparties other than for the purpose of hedging or mitigating its own commercial risk or the commercial risk of one or more related affiliates;

(iii) Neither any related affiliate that enters into swaps with the eligible treasury affiliate nor the eligible treasury affiliate, enters into swaps with or on behalf of any affiliate that is a financial entity (''financial affiliate''), or otherwise assumes, nets, combines, or consolidates the risk of swaps entered into by any financial affiliate, except in the case of financial affiliates that qualify as eligible treasury affiliates under this letter; and

(iv) Each swap entered into by the eligible treasury affiliate is subject to a centralized risk management program that is reasonably designed (A) to monitor and manage the risks associated with the swap, and (B) to identify the related affiliate or affiliates on whose behalf each exempted swap has been entered into by the eligible treasury affiliate.

REPORTING CONDITIONS

With respect to each swap that an eligible treasury affiliate (''electing counterparty'') elects not to clear in reliance on the relief provided in this letter, the reporting counterparty, as determined in accordance with §45.8 of the Commission's regulations, shall provide or cause to be provided the following information to a registered swap data repository or, if no registered swap data repository is available to receive the information from the reporting counterparty, to the Commission, in the form and manner specified by the Commission:

(i) Notice of the election of the relief and confirmation that the electing counterparty satisfies the General Conditions to the Swap Activity of this no-action relief specified above;

(ii) How the electing counterparty generally meets its financial obligations associated with entering into non-cleared swaps by identifying one or more of the following categories, as applicable:

(A) A written credit support agreement;

(B) Pledged or segregated assets (including posting or receiving margin pursuant to a credit support agreement or otherwise);

(C) A written guarantee from another party;

(D) The electing counterparty's available financial resources; or

(E) Means other than those described in (A)–(D); and

(iii) If the electing counterparty is an entity that is an issuer of securities registered under section 12 of, or is required to file reports under section 15(d) of, the Securities Exchange Act of 1934:

(A) The relevant SEC Central Index Key number for such counterparty; and

(B) Acknowledgment that an appropriate committee of the board of directors (or equivalent body) of the electing counterparty has reviewed and approved the decision to enter into swaps that are exempt from the requirements of section 2(h)(1), and if applicable, section 2(h)(8) of the CEA.

(iv) If there is more than one electing counterparty to a swap, the information specified in the Reporting Conditions of this no-action relief specified above shall be provided with respect to each of the electing counterparties.

(v) An entity that qualifies for the relief provided in this no-action letter may report the information listed in paragraphs (ii) and (iii) above, annually in anticipation of electing the relief for one or more swaps. Any such reporting under this paragraph will be effective for purposes of paragraphs (ii) and (iii) above for 365 days following the date of such reporting. During the 365–day period, the entity shall amend the report as necessary to reflect any material changes to the information reported.

(vi) Each reporting counterparty shall have a reasonable basis to believe that the electing counterparty meets the General Conditions to the Swap Activity for the no-action relief specified above.

This no-action letter, and the positions taken herein, represent the view of the Division only, and do not necessarily represent the position or view of the Commission or of any other office or division of the Commission. The relief issued by this letter does not excuse the affected persons from compliance with any other applicable requirements contained in the CEA or in the Commission's regulations issued thereunder. Further, this letter, and the relief contained herein, is based upon the information available to the Division. Any different or changed material facts or circumstances might render this letter void. As with all no-action letters, the Division retains the authority to, in its discretion, further condition, modify, suspend, terminate or otherwise restrict the terms of the no-action relief provided herein. This letter supersedes No-Action Letter 13–22.

Sincerely,

PHYLLIS DIETZ,
Acting Director.

Ms. MOORE. Mr. Speaker, I have no further requests for time.

Again, I just want to thank everyone who was involved in this process. This is something that is going to protect thousands of jobs across our country. People often criticize us for not doing things in a bipartisan manner, but I think this is exemplary of what we can do when we really work at it, even though it has taken a couple of years.

I yield back the balance of my time.

Mr. LUETKEMEYER. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. LUETKEMEYER) that the House suspend the rules and pass the bill, H.R. 5471.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

REGULATION D STUDY ACT

Mr. LUETKEMEYER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3240) to instruct the Comptroller General of the United States to study the impact of Regulation D, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3240

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 ''Regulation D Study Act''.

SEC. 2. GOVERNMENT ACCOUNTABILITY OFFICE STUDY.

(a) STUDY.—The Comptroller General of the United States shall conduct a comprehensive study on the impact on depository institutions, consumers, and monetary

policy of the requirement that depository institutions maintain reserves in accordance with subsections (b) and (c) of section 19 of the Federal Reserve Act (12 U.S.C. 461) and Regulation D (12 C.F.R. 204).

(b) MATTERS TO BE STUDIED.—In conducting the study under this section, the Comptroller General shall include the following:

(1) An historic review of how the Board of Governors of the Federal Reserve System has used reserve requirements to conduct United States monetary policy, including information on how and when the Board of Governors has changed the required reserve ratio.

(2) The impact of the maintenance of reserves on depository institutions, including the operational requirements and associated costs.

(3) The impact on consumers in managing their accounts, including the costs and benefits of the reserving system.

(4) Alternatives the Board of Governors may have to the maintenance of reserves to effect monetary policy.

(c) CONSULTATION.—In conducting the study under this section, the Comptroller General shall consult with credit unions and community banks.

(d) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report containing—

(1) the results of the study conducted pursuant to this section; and

(2) any recommendations based on such study.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Missouri (Mr. LUETKEMEYER) and the gentlewoman from Wisconsin (Ms. MOORE) each will control 20 minutes.

The Chair recognizes the gentleman from Missouri.

GENERAL LEAVE

Mr. LUETKEMEYER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and submit extraneous materials for the RECORD on H.R. 3240, currently under consideration,

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

There was no objection.

Mr. LUETKEMEYER. Mr. Speaker, I yield myself as much time as I may consume.

I rise in support of H.R. 3240, the Regulation D Study Act, introduced by my friend from North Carolina (Mr. PITTENGER), a colleague on the Financial Services Committee. This is a simple but important bill that directs the GAO to study the impact that the Federal Reserve's Regulation D minimum reserve requirements have on depository institutions, consumers, and monetary policy.

Section 19 of the Federal Reserve Act gives the Federal Reserve authority to impose reserve requirements on the deposits of member institutions. These requirements are set forth in what is commonly referred to as Reg D.

Regulation D reserve requirements are calculated as a percentage of the amount of funds a financial institution's members hold in transaction accounts. A transaction account is typically an account from which the depositor or account holder is permitted to make unlimited transfers or withdrawals, such as a checking account. Because balances in those accounts can change quickly, the Federal Reserve requires institutions to reserve funds for those accounts as a stabilizing tool for the money supply. Regulation D limits the number of transfers and withdrawals from nontransaction accounts to six per month.

As legislators, it is important that we periodically review the impact of regulations on those whom we have the honor to represent. The Regulation D Study Act does just that, and I am pleased to support it.

I reserve the balance of my time.

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

I strongly, strongly support Representative PITTENGER's Reg D Study Act. Again, as my colleague from Missouri has indicated, this is a technical bill, but it is extremely important.

Commentators have argued that the maintenance of these reserves imposes opportunity costs on depository institutions, namely, by requiring them to hold funds in abeyance that could otherwise be lent out, and I think that it is worth GAO studying the issue and reporting back to Congress.

I just want to make a point, Mr. Speaker, and to stress this: reserve requirements are separate and distinct from capital requirements, liquidity, and leverage rules, which protect the safety and soundness of the financial system. This bill does not take away those important protections.

I reserve the balance of my time.

Mr. LUETKEMEYER. Mr. Speaker, I yield as much time as he may consume to the gentleman from North Carolina (Mr. PITTENGER), the sponsor of this legislation.

Mr. PITTENGER. Mr. Speaker, I rise today in support of H.R. 3240, the Regulation D Study Act.

This bill is simple. It directs the Government Accountability Office, GAO, to study the regulatory impact on depository institutions, consumers, and monetary policy.

Current regulations limit common online and automated transfers and withdrawals from nontransaction accounts, such as savings accounts, to only six transfers per month. The regulators who created this rule never envisioned online banking and modern banking technology, and because only some transactions are subject to the six-per-month restriction and others are without limit, this rule is very confusing to consumers.

Today, many families use online banking tools to actively manage their finances with unnecessary restrictions from these outdated rules. Regulation D requirements force financial institutions to focus on compliance concerns rather than spending more time with consumers to meet their financial needs.

This is commonsense legislation that is not only good for financial institutions, but for American families as well. The issue of allowing only six transfers per month for certain bank accounts hasn't been reviewed in several decades. With new technological advancements and online banking, we owe it to our hardworking American families to revisit this regulation.

H.R. 3240 enjoys support from the Credit Union National Association and the National Association of Federal Credit Unions, whose financial institutions serve millions of Americans.

Mr. Speaker, I will submit for the RECORD a letter of support from the president of the Credit Union National Association, which serves 100 million members across the country.

CREDIT UNION
NATIONAL ASSOCIATION,
Washington, DC, December 1, 2014.

Hon. JOHN BOEHNER,
Speaker, House of Representatives,
Washington, DC.

Hon. NANCY PELOSI,
Minority Leader, House of Representatives,
Washington, DC.

DEAR SPEAKER BOEHNER AND LEADER PELOSI: On behalf of the Credit Union National Association (CUNA), I am writing in support of H.R. 3240, bipartisan legislation scheduled for consideration this week by the House of Representatives. CUNA is the largest credit union advocacy organization in the United States, representing America's state and federally chartered credit unions and their 100 million members.

H.R. 3240, sponsored by Representatives Robert Pittenger (R–NC) and Carolyn Maloney (D–NY), directs the Government Accountability Office (GAO) to study the impact of the Federal Reserve Board's monetary reserve requirements, implemented through Regulation D, on depository institutions, consumers and monetary policy. The House Financial Services Committee favorably reported this bill to the House on July 20, 2014 by voice vote.

Regulation D impacts credit union members by limiting the number of automatic withdrawals from a member's savings account to six transactions per month. The impact of this limit is to unnecessarily cause credit union members to overdraft their checking accounts when a debit draws the checking account balance below zero and the member has already had six automatic transfers during the month. When this happens, members who may have the funds in a savings account to cover the debit are hit with nonsufficient fund fees (NSF) from their financial institution and, when a check is involved, a returned check fee from the merchant. This is not a result of an overdraft protection program—this happens because of a regulatory cap on automatic transfers. It is difficult for credit union members affected by the cap to understand that this is out of the control of the credit union when the funds to cover the debit are sifting in their account at the credit union.

We believe the cap should be increased or eliminated, but we understand that one of the reasons the regulation is in place is because the Federal Reserve Board is authorized to use it as a tool to conduct monetary policy. As a first step toward a possible change in this cap, the legislation directs the GAO to study the issue. This effort will make more information available for Congress to determine whether an increase in or the elimination of this cap would substantially affect the Federal Reserve Board's ability to conduct monetary policy.

Specifically, H.R. 3240 directs the GAO to examine and report within one year of enactment on the following topics: an historic

overview of how the Federal Reserve Board has used reserve requirements to conduct monetary policy; the impact of the maintenance of reserves on depository institutions, including the operations requirements and associated costs; the impact on consumers in managing their accounts, including the costs and benefits of the reserving system; and, alternatives to required reserves the Federal Reserve Board may have to effect monetary policy. The bill also directs the GAO to consult with credit unions and community banks.

According to former Federal Reserve Board Chairman Ben Bernanke, ''. . . reserve balances far exceed the level of reserve requirements and the level of reserve requirements thus plays only a minor role in the daily implementation of monetary policy.'' A GAO study will allow an objective assessment of whether the rarely changed monetary reserves imposed on depository institutions and consumers are necessary in order for the Federal Reserve Board to implement monetary policy in the 21st century. CUNA strongly supports this bill.

On behalf of America's credit unions and their 100 million members, thank you for scheduling H.R. 3240 for consideration. We look forward to working with you and members of the House of Representatives to swiftly enact this legislation.

Sincerely,

JIM NUSSLE,
President & CEO.

Mr. PITTENGER. As technology advances, we need to make sure Federal regulations keep pace. Former Federal Reserve Chairman Bernanke has said that account ''reserve balances far exceed the level of reserve requirements, and the level of reserve requirements thus plays only a minor role in the daily implementation of monetary policy.''

We can continue to protect the financial system while allowing families more flexibility to use online banking tools.

This legislation has strong bipartisan support, and I would like to thank my colleague from New York, Congresswoman MALONEY, who serves on the Financial Services Committee, for joining me in introducing H.R. 3240.

A GAO study will allow an objective assessment of whether the rarely changed monetary reserves imposed on depository institutions and consumers are necessary in order for the Federal Reserve to implement monetary policy in the 21st century.

Ms. MOORE. Mr. Speaker, I am absolutely delighted to yield such time as she might consume to the gentlelady from New York (Mrs. CAROLYN B. MALONEY), the Democratic cosponsor of this bill, who is the ranking member of the Capital Markets Subcommittee.

Mrs. CAROLYN B. MALONEY of New York. I thank the gentlelady for her leadership and for yielding.

Mr. Speaker, I rise today in support of H.R. 3240. I am pleased to have worked on this bill with my colleague from North Carolina (Mr. PITTENGER). I would also like to take this opportunity to compliment his work on attempting to end terrorism, cracking down on terrorism financing in our country.

The purpose of this particular bill is to study the current monthly limits, under Regulation D, on the number of automatic withdrawals from a consumer's savings account.

□ 1415

Currently Regulation D limits the number of automatic withdrawals from a consumer's account to six per month. This means that if a consumer has already hit his limit on automatic withdrawals for the month and then overdrafts his or her checking account, the bank won't transfer money from his savings account to cover the overdraft, and this results in an unnecessary overdraft fee.

As two recent studies by the Consumer Financial Protection Bureau have noted, overdraft fees disproportionately harm those of us who can least afford it. Unsophisticated consumers are most hit by them. So if there is a regulation that is causing unnecessary overdraft fees, we should study whether that regulation is necessary. That is what our commonsense bill does. It asks the GAO to study the limitation in Regulation D to determine if it is, in fact, useful or harmful.

This bill is supported by many stakeholders in financial services: the Credit Union National Association, the National Association of Federal Credit Unions, and the American Bankers Association.

Mr. Speaker, I urge my colleagues to support this commonsense bill, and I appreciate the help of my colleague.

Ms. MOORE. Mr. Speaker, I have no further requests for speakers, so I yield back the balance of my time.

Mr. LUETKEMEYER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. LUETKEMEYER) that the House suspend the rules and pass the bill, H.R. 3240.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. LUETKEMEYER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

NATIVE AMERICAN HOUSING ASSISTANCE AND SELF-DETERMINATION REAUTHORIZATION ACT OF 2014

Mr. PEARCE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4329) to reauthorize the Native American Housing Assistance and Self-Determination Act of 1996, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4329

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Native American Housing Assistance and Self-Determination Reauthorization Act of 2014''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References.

TITLE I—BLOCK GRANTS AND GRANT REQUIREMENTS

Sec. 101. Block grants.
Sec. 102. Recommendations regarding exceptions to annual Indian housing plan requirement.
Sec. 103. Environmental review.
Sec. 104. Deadline for action on request for approval regarding exceeding TDC maximum cost for project.

TITLE II—AFFORDABLE HOUSING ACTIVITIES

Sec. 201. National objectives and eligible families.
Sec. 202. Program requirements.
Sec. 203. Homeownership or lease-to-own low-income requirement and income targeting.
Sec. 204. Lease requirements and tenant selection.
Sec. 205. Tribal coordination of agency funding.

TITLE III—ALLOCATION OF GRANT AMOUNTS

Sec. 301. Authorization of appropriations.
Sec. 302. Effect of undisbursed block grant amounts on annual allocations.

TITLE IV—AUDITS AND REPORTS

Sec. 401. Review and audit by Secretary.
Sec. 402. Reports to Congress.

TITLE V—OTHER HOUSING ASSISTANCE FOR NATIVE AMERICANS

Sec. 501. HUD–Veterans Affairs supportive housing program for Native American veterans.
Sec. 502. Loan guarantees for Indian housing.

TITLE VI—MISCELLANEOUS

Sec. 601. Lands Title Report Commission.
Sec. 602. Limitation on use of funds for Cherokee Nation.
Sec. 603. Leasehold interest in trust or restricted lands for housing purposes.
Sec. 604. Clerical amendment.

TITLE VII—DEMONSTRATION PROGRAM FOR ALTERNATIVE PRIVATIZATION AUTHORITY FOR NATIVE AMERICAN HOUSING

Sec. 701. Demonstration program.
Sec. 702. Clerical amendments.

TITLE VIII—HOUSING FOR NATIVE HAWAIIANS

Sec. 801. Reauthorization of Native Hawaiian Homeownership Act.
Sec. 802. Reauthorization of loan guarantees for Native Hawaiian housing.

SEC. 2. REFERENCES.

Except as otherwise expressly provided, wherever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.).

TITLE I—BLOCK GRANTS AND GRANT REQUIREMENTS

SEC. 101. BLOCK GRANTS.

Section 101 (25 U.S.C. 4111) is amended—

(1) in subsection (c), by adding after the period at the end the following: ''The Secretary shall act upon a waiver request submitted under this subsection by a recipient within 60 days after receipt of such request.''; and

(2) in subsection (k), by striking ''1'' and inserting ''an''.

SEC. 102. RECOMMENDATIONS REGARDING EXCEPTIONS TO ANNUAL INDIAN HOUSING PLAN REQUIREMENT.

Not later than the expiration of the 120-day period beginning on the date of the enactment of this Act and after consultation with