

# ***Where They Stand on Financial Reform***

***Votes cast in the 115th Congress  
(January 2017 through August 2018)***



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**Americans for Financial Reform  
August 2018**

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# *Table of Contents*

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**3 Introduction**

**8 Bill Summaries and Votes**

**8 Consumer Protection and the CFPB**

**12 Financial Stability and Derivatives**

**16 Mortgage and Housing Issues**

**19 Regulatory Authority and Effectiveness**

**23 Securities Law, Investor Protection, and Market Integrity**

**31 Multi-Issue Financial Deregulation**

**34 Taxes**

**35 Senate Confirmations**

**39 Industry-friendly lawmakers**

Tables outlining the roll call votes are posted separately online at:

[House Floor Votes](#)

[Financial Services Committee Votes](#)

[Education and the Workforce Committee Votes](#)

[Senate Votes](#)

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# *Introduction*

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This is a report on how the 115th Congress has dealt with questions involving Wall Street and the financial industry.

The votes described and tabulated here are, in the first place, a record of the actions of individual lawmakers confronted with a set of specific choices. Taken together, though, they also reveal a disturbing pattern—the willingness of a great many current members of Congress to heed the financial industry’s demands, with little or no thought given to the interests of consumers, borrowers, or investors, or to the stability, transparency, and accountability of the financial sector. In addition, the votes also reflect the unconscionable willingness of many lawmakers to enable racial discrimination in lending, and the extraction of wealth from working people, particularly people of color.

Since the reforms of 2010, the financial lobby has continued to push for deregulation, claiming that the Dodd-Frank Act and other rules have damaged the economy by putting a crimp on lending. That story is [a sham](#). Banks and financial enterprises have [prospered](#). Lending growth has been [robust](#).

Nevertheless, throughout the post-crisis period, a striking number of lawmakers have been prepared to do Wall Street’s bidding and [parrot its baseless claims](#). This has been especially true in the House of Representatives and above all among members of the House Committee on

Financial Services. Year after year, that committee has churned out legislation that would hamstring regulators, help banks enrich themselves at the public’s expense, and make it easier for mortgage lenders, payday lenders, and credit card companies to stick people, especially customers of color, women, and women of color, with hidden fees and unexpected charges.

The committee chairman, Rep. Jeb Hensarling (R-TX-5), combined some of the worst of these proposals into a 600-page bill that would effectively demolish the most important post-crisis regulatory reforms and in many areas make financial oversight weaker than it was in the runup to the financial crisis. In March 2017, the House of Representatives approved Hensarling’s “Financial CHOICE Act” in an essentially party-line vote, with Rep. Walter Jones (R-NC-3) as the only Republican naysayer. Although the bill failed to gain any traction in the Senate, it signified the almost unlimited willingness of the House majority to erode or eliminate a vast swath of critical regulatory safeguards and let the financial industry have its way, even if it means allowing fraud and abuse to proliferate.

From 2011 through 2016, such proposals had little chance of being signed into law. The lawmakers who backed them were doing so mainly to send a message, or, more precisely, two messages. They were telling regulators to tread more lightly in their interpretation and enforcement of the rules,

and they were telling their friends in the financial world to keep the campaign cash coming.

January 2017 brought a radical change in the political environment and calculus. Now the financial industry had an executive branch just as ready as most of Congress to follow its lead. Candidate Donald Trump [railed against](#) the power of Wall Street and the big banks. President Trump, by contrast, filled top economic and regulatory posts with a succession of bankers, fund managers, former industry lobbyists, and anti-government ideologues—people fundamentally opposed to the missions of the agencies were being tapped to run. (Some of these appointments were opposed by most, or many, Senate Democrats; others were not.) Trump and his aides made it plain, moreover, that the President would sign just about any deregulation bill or Wall Street giveaway that reached his desk.

One of the financial industry's first big wins came in Oct. 2017, with the approval of a Congressional Review Act resolution to undo a recently issued Consumer Financial Protection Bureau (CFPB) rule, and strip consumers of their right to join forces and take financial companies to court for breaking the law. Since the 1990s, banks and lenders have been using forced arbitration clauses in take-it-or-leave-it consumer contracts not just to block lawsuits but to keep systematic wrongdoing under wraps. These clauses help explain how Wells Fargo, to cite a particularly egregious example, was able to open [millions of sham customer accounts](#) over a period of more than four years before prosecutors or regulators got wind of what the bank was doing.

The campaign to block the CFPB rule was waged by a well-funded network of industry

lobbyists. On the other side of the issue were organizations representing veterans, servicemembers, older Americans, and consumers, as well as organized labor and a wide range of civil rights and faith-based groups. But while our advocacy efforts galvanized unprecedented attention, industry forces prevailed in the end. The Senate overturned the rule by a vote of 51-50, with the Vice President called in to break a tie created by two Republican Senators, Lindsey Graham of South Carolina and John Kennedy of Louisiana, joining all Senate Democrats on the pro-consumer side.

In December 2017, Wall Street scored another significant victory when Congress passed the tax-cut bill. The financial industry stands to be [biggest long-term winner from the corporate tax cuts](#), with an expected almost \$250 billion tax benefit. Most large banks will see huge revenue gains as a result; in a perverse twist of fate, the scandal-ridden Wells Fargo, previously identified as the [industry's top beneficiary](#) from the tax cut, saved more than [\\$600 million in the first quarter of 2018](#). Wells Fargo is expected to increase profits by \$3.7 billion during the entire year, as a result of the tax cut—[enough to pay three times its \\$1 billion settlement with the CFPB and the Office of the Comptroller of the Currency and still come out ahead](#).

That law also included benefits for private funds, mainly by slashing rates on pass-through businesses and preserving the infamous carried-interest loophole. In 2016, both major presidential candidates and party platforms called for an end to this tax-avoidance scheme, which allows private equity fund managers to enjoy a lower effective tax rate than many nurses or firefighters. But the tax-cut bill left the [carried-interest loophole essentially intact](#).

In May 2018, Congress again used a Congressional Review Act resolution—in a party line vote in both chambers—to repeal a CFPB action: the agency’s 2013 guidance on indirect auto lending. This guidance affirmed that it is illegal for auto lenders to use compensation systems that result in borrowers of color being charged higher rates and fees for auto loans—a systematic practice in the industry. This was the first use of the Congressional Review Act to undo guidance, rather than a rule. The Congressional majority chose to use this aggressive tactic to make it easier for auto lenders and auto dealers to continue to charge racial minorities more to buy a car.

Congressional Review Act resolutions to undo the CFPB’s rules to reign in payday and car title lending were also introduced in both the House and Senate, but they were not brought to a vote before the legislative clock ran out in May, leaving the rules intact.

May 2018 also saw final passage of S. 2155, the [broadest deregulatory measure since the financial crisis](#). The bill was put together by Senator Mike Crapo (ID), who chairs the Senate Committee on Banking, Housing, and Urban Affairs. Supporters portrayed this legislation as a modest effort to provide regulatory relief for “community banks.” In fact, while it is true that the bill by no means undid all of the Dodd-Frank Act regulatory framework, it does include many dangerous provisions that have nothing to do with small, community banks. Under that innocent-sounding cover, members of Congress voted to end the enhanced oversight of 25 of the country’s 38 biggest banks—institutions with up to \$250 billion in assets, which collectively received almost \$50 billion in bailout money during the financial crisis.

S. 2155 also rolled back protections against predatory or racially discriminatory lending, especially in rural and lower-income communities. It made it easier for lenders to rip-off manufactured homebuyers, and exempted 85 percent of U.S. banks from full reporting of loan data under the Home Mortgage Disclosure Act. Hiding this data will make it much harder for authorities, communities, and [journalists](#) to gather evidence of unfair lending, and easier for banks to continue well-documented patterns of lending discrimination.

On top of all its other problems, far from preserving smaller banks for the long term, many industry analysts predict that S. 2155 will in fact make banks bigger because it will encourage [increased industry consolidation](#) by letting an institution with, for example, \$50 billion in assets grow up to five times bigger before triggering any extra regulatory scrutiny.

The bill was introduced with bipartisan support and was backed by four of the Democrats on the Senate Banking Committee along with all 12 Republicans. It went on to pass the full Senate with 50 Republicans and 17 Democrats voting in favor, and 31 Democrats opposed.

Supporters of S. 2155 came in for serious criticism from colleagues, editorial pages, and a wide range of public-interest groups, led by members of the AFR coalition. That blowback helps explain why, two months after the Senate acted, there was less Democratic support for the bill on the House side, with 33 out of 158 House Democrats and 225 out of 226 Republicans, (with Rep. Jones the lone exception, again) voting for the bill. The bill has now become law and stands as telling evidence of Congress’s willingness to embrace policies intended to generate bigger immediate rewards for

banks, financial companies, and their executives, no matter the dangers and costs for white, Black and brown borrowers, homeowners, and investors, or the overall economy.

Through their votes—those already mentioned, and others—a controlling majority of members of Congress have shown a readiness to ignore not only the interests but the will of the people they are sworn to represent. Eight years after the passage of the Dodd-Frank Act, the great majority of voters—across lines of geography, demography, and political party—voice support for the reforms already enacted, and rather than scaling them back, they say they want the rules governing banks and lending companies to be made [tougher than they are](#).

Some lawmakers have come forward with proposals to do just that. When the Senate Banking Committee took up the Crapo bill, for example, several Democrats seized the opportunity to offer pro-consumer amendments, which were then voted down. The current Congress has also seen the introduction of bills intended, among other things, to [end the carried interest loophole](#) (by Sen. Tammy Baldwin (D-WI)); to make credit bureaus, not consumers, [responsible for monitoring the accuracy of and completeness of their information](#) (by Rep. Maxine Waters (D-CA-43)); to protect veterans against [predatory mortgage refinancing loans](#) (by Sen. Elizabeth Warren (D-MA)); and to [establish a sales tax on financial transactions](#), partly to discourage wasteful high-speed trading and other forms of speculation (by Rep. Keith Ellison (D-MN-5), with 175 House cosponsors).

But Congressional leaders have not allowed any of these stand-alone measures to receive a floor vote in either chamber. Virtually all

the finance-related measures that have managed to advance even that far have been proposals to weaken existing rules, undermine oversight agencies, and make it easier for financial companies to generate windfall profits at the expense of consumers, investors, small businesses, neighborhoods—especially communities of color, and the country’s overall financial and economic stability.

Another feature of this Congress was the consistent flow of legislation weakening longstanding securities laws—laws which protect investors and ensure the integrity of securities markets. This legislation is often technical but the aggregate effect is to weaken and undermine important disclosure and market oversight requirements, in many cases dating back to the New Deal. These bills continue a recent trend toward securities market deregulation that began with the passage of the JOBS Act in 2012.

Most Americans, multiple polls attest, believe that Wall Street and the financial industry have too much influence in Washington. Their belief is well-founded. That is one of the clearest and most damaging conclusions to be drawn from the body of evidence collected here.

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The next section of our report contains summaries of the measures covered along with a note about the congressional action taken in each case. Although the votes are organized by topic (Consumer Protection, Systemic Risk, etc.), many of these bills and amendments deal with a range of issues and could have been assigned to more than one category. Each summary includes links to the text of the proposal, to a fuller discussion of the legislation in AFR’s opposition letter, and to the official record of

votes cast either on the House or Senate floor, or, where a bill did not get a floor vote, in committee.

In addition, as an online appendix, we have compiled tables of the relevant House and Senate votes with the measures presented side by side, making it easy to see how a particular House member or Senator voted on the full complement of issues, as well as who voted for or against any particular measure.

In a section that follows the bill summaries, we list House members and Senators who stood out for the consistency of their votes to loosen the rules for financial companies at the expense of consumers, investors, communities of color, and the public interest.

Together, these summaries, tables, and lists tell the story of an important set of decisions made by members of the 115th Congress.



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# *Consumer Protection and the CFPB*

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**Appropriations bill amendment to maintain the Consumer Financial Protection Bureau's authority over payday and other small-dollar consumer lenders. [Amendment 201](#). Roll call vote [no. 523](#).**

This amendment would have removed a toxic rider from a government spending bill. That rider included language stripping the Consumer Financial Protection Bureau (CFPB) of authority over payday, car-title and other short-term consumer lenders. The Bureau had been given authority over these lenders by the Dodd-Frank Act, and it was nearing completion of a rule to curb their ability to trap borrowers in long-term debt at triple-digit interest rates. A majority of House Republicans sought to block the CFPB's rulemaking by adding this provision to a massive spending bill.

**[AFR supported this amendment.](#)**

*Introduced by Keith Ellison (D-MN-5), Amendment 201 was rejected in the House of Representatives on Sept. 14, 2017 by a vote of 221 - 186.*

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**Resolution to reject the Consumer Financial Protection Bureau's Rule on "Arbitration Agreements." [House Joint Resolution 111](#). Roll call vote [no. 412](#). Senate Vote [no. 249](#).**

This joint resolution nullified a CFPB rule that would have restored access to the court system for consumers wronged by financial firms. Under the CFPB's rule, consumer finance companies would have been barred from using forced arbitration agreements to block consumers from filing or participating in class action suits. By overturning the rule, the resolution made it easier for financial firms to rip people off without fear of legal and financial consequences.

**[AFR opposed this bill.](#)**

*Introduced by Keith Rothfus (R-PA-12), H.J.Res. 111 passed the House of Representatives on July 25, 2017 by a vote of 231 - 190. On Oct. 24, 2017, it passed the U.S. Senate by a vote of 51 - 50, with the Vice President casting the deciding vote.*

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**Bureau of Consumer Financial Protection Examination and Reporting Threshold Act of 2017. [H.R. 3072](#). Committee vote [no. 80](#).**

H.R. 3072 would end the CFPB's supervision and enforcement authority over banks and credit unions with \$10 billion to \$50 billion in assets, reducing the number of depository institutions examined by the CFPB from 119 to 42. This would disperse key consumer protection authority to other agencies that failed to use it effectively in the past and are less focused on consumer



protection. Some of the most significant commercial bank failures during the 2008 crisis were linked to consumer protection failures at banks in the size range impacted by this bill.

**[AFR opposed this bill.](#)**

*Introduced by Rep. William Lacy Clay (D-MO-1), H.R. 3072 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 39 - 21.*

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**Protecting Consumers' Access to Credit Act of 2017. [H.R. 3299](#). Roll call vote [no. 78](#).**

H.R. 3299 would dramatically undermine protections against payday, car title, and other predatory lending in states across the country—protections often put in place by the public directly through initiatives. The bill would override the Second Circuit's *Madden v. Midland* decision, which would open the floodgates for a wide range of predatory actors to violate state laws and make loans at 300 percent annual interest or higher, simply by partnering with banks which could transfer such loans to them.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Patrick McHenry (R-NC-10), H.R. 3299 was approved in the House Committee on Financial Services on Nov. 15, 2017 by a vote of 42 - 17. On Feb. 14, 2018, it passed the House of Representatives by a vote of 245 - 171.*

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**Privacy Notification Technical Clarification Act. [H.R. 2396](#). Roll call [no. 682](#).**

More than a “technical clarification,” H.R. 2396 would create significant exemptions from the annual requirements for clear and conspicuous notice to consumers about their right to opt out from having personal information shared and sold to unaffiliated third-party companies. H.R. 2396, would effectively deprive consumers of notice that they have the right to opt out of having their information shared.

**[AFR opposed this bill.](#)**

*Introduced by Rep. David Trott (R-MI-11). H.R. 2396 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 40 - 20. On Dec. 14, 2017, it passed the House of Representatives by a vote of 275 - 146.*

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**Community Financial Institution Exemption Act. [H.R. 1264](#). Committee vote [no. 137](#).**

H.R. 1264 would exempt all banks with under \$50 billion in assets from any new rules or oversight by the CFPB. This sweeping statutory exemption would affect thousands of banks serving millions of people. The only reason to curb CFPB authority over these banks would be to allow harmful anti-consumer practices to escape proper regulation.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Roger Williams (R-TX-25), H.R. 1264 was approved in the House Committee on Financial Services on Jan. 18, 2018 by a vote of 30 - 25.*

**Business of Insurance Regulatory Reform Act of 2017. [H.R. 3746](#). Committee vote [no. 141](#).**

H.R. 3746 would limit the CFPB's authority to enforce federal consumer financial protection laws against entities that are regulated by a state insurance regulator. This would allow insurers and other persons engaged in the business of insurance to be shielded from supervision and scrutiny by the CFPB even if they were selling consumer financial products identical to those sold by CFPB regulated entities.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Sean P. Duffy (R-WI-7), H.R. 3746 was approved in the House Committee on Financial Services on Jan. 18, 2018 by a vote of 37 - 18.*

**Ensuring Quality Unbiased Access to Loans (EQUAL) Act of 2018. [H.R. 4861](#). Committee vote [no. 167](#).**

H.R. 4861 would exempt bank payday loans, or "deposit advance products," from the CFPB payday loan rule, and undo the FDIC's deposit advance product guidance. The overall effect would be to pave the way for banks to return to abusive 200 to 300 percent APR balloon-payment loans that trap consumers and seniors on Social Security in a cycle of debt.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Trey Hollingsworth (R-IN-9), H.R. 4861 was approved in the House Committee on Financial Services on Mar. 21, 2018 by a vote of 34 - 26.*

**Practice of Law Technical Clarification Act. [H.R. 5082](#). Committee vote [no. 169](#).**

H.R. 5082 would amend the Fair Debt Collection Practices Act (FDCPA) to exempt most law firms and attorneys from the definition of "debt collector," even when they take legal action to collect a debt. The bill would also expand the scope of debt collection activities in which attorneys could engage without having to comply with fair debt-collection rules. The net effect would be to leave consumers increasingly vulnerable to deceptive, misleading, and abusive practices by collection attorneys.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Alexander X. Mooney (R-WV-2), H.R. 5082 was approved in the House Committee on Financial Services on Mar. 21, 2018 by a vote of 35 - 25.*

**A joint resolution providing for congressional disapproval under chapter 8 of title 5, United States Code, of the rule submitted by Bureau of Consumer Financial Protection relating to "Indirect Auto Lending and Compliance with the Equal Credit Opportunity Act." [Senate Joint Resolution 57](#). U.S. Senate vote [no. 76](#). House of Representatives Roll call vote [no. 171](#).**

S.J.Res.57 would repeal, through the Congressional Review Act, the CFPB's 2013 guidance addressing indirect auto lending. The guidance describes auto lenders' responsibility under the Equal Credit Opportunity Act to avoid

discriminatory lending practices. There is a well-documented history of discrimination against African-American and Latino borrowers in the auto market, and repealing the CFPB's guidance allows car dealers to continue to giving people more expensive car loans simply because of the color of their skin.

**AFR opposed this bill.**

*Introduced by Sen. Jerry Moran (R-KS), S.J.Res.57 was approved in the U.S. Senate on Apr. 18, 2018 by a vote of 51 - 47. On May 8, 2018, S.J.Res.57 passed the House of Representatives by a vote of 234 - 175 (and 1 Present).*

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## *Financial Stability and Derivatives*

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### **Commodity End-User Relief Act. [H.R. 238](#). Roll call vote [no. 54](#).**

This bill would freeze the Commodity Futures Trading Commission's (CFTC) funding at its current level for the next five years, undermining the agency's ability to effectively police the commodities and derivatives markets. H.R. 238 would also require the agency to undertake onerous cost-benefit analyses before taking any regulatory action.

#### **[AFR opposed this bill.](#)**

*Introduced by Rep. Michael K. Conaway (R-TX-11), H.R. 238 passed the House of Representatives on Jan. 12, 2017 by a vote of 239 - 182.*

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### **Pension, Endowment, and Mutual Fund Access to Banking Act. [H.R. 2121](#). Committee vote [no. 76](#).**

This legislation would exempt large custodial banks from leverage capital requirements with respect to custodial funds deposited with the Federal Reserve. This bill would allow systemically significant banks such as BNY Mellon and State Street to hold less equity capital, reducing protections against losses and insolvency.

#### **[AFR opposed this bill.](#)**

*Introduced by Rep. Keith Rothfus (R-PA-12), H.R. 2121 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 60 - 0. (A version of this bill was enacted as a provision of S. 2155, which is described below.)*

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### **Clarifying Commercial Real Estate Loans. [H.R. 2148](#). Committee vote [no. 89](#).**

This legislation would weaken capital standards for certain commercial real estate loans. H.R. 2148 would create significant new exemptions, allowing many more loans to escape being classified as high-risk, and freeing banks from the need to set aside additional capital to guard against losses. The commercial real estate market is growing rapidly and has been identified as a significant source of potentially dangerous risk. Congress should not intervene to loosen risk controls in order to increase bank profitability.

#### **[AFR opposed this bill.](#)**

*Introduced by Rep. Robert Pittenger (R-NC-9), H.R. 2148 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 59 - 1. (A version of this bill was enacted as a provision of S. 2155, which is described below.)*

**Stress Test Improvement Act of 2017.**  
**[H.R. 4293](#). Roll call vote [no. 137](#).**

Far from improving big-bank stress tests, H.R. 4293 would have a disastrous impact on this central element of bank supervision. The bill would require advance release for public comment of the exact models and assumptions used to test bank portfolios and predict losses. Releasing these details under a notice-and comment process would permit big banks to mount legal challenges to any part of the oversight model. H.R. 4293 would also force regulators to satisfy new analytical requirements before they could engage in the basic task of assessing whether bank capital is adequate to cover predicted bank losses.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Lee M. Zeldin (R-NY-1), H.R. 4293 was approved in the House Committee on Financial Services on Nov. 15, 2017 by a vote of 38 - 21. On Apr. 11, 2018, it passed the House of Representatives by a vote of 245 - 174.*

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**Small Bank Holding Company Relief Act.**  
**[H.R. 4771](#). Roll call vote [no. 66](#).**

This legislation would raise the asset threshold for the Federal Reserve's Small Bank Holding Company Policy Statement from \$1 billion to \$3 billion, so banks of up to \$3 billion in asset-size could take advantage of increased leverage allowed in the Policy Statement.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Mia Love (R-UT-4), H.R. 4771 was approved in the House Committee*

*on Financial Services on Jan. 18, 2018 by a vote of 41 - 14. On Feb. 8, 2018, it passed the House of Representatives by a vote of 280 - 139. (A version of this bill was enacted as a provision of S. 2155, which is described below.)*

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**Restoring Financial Market Freedom Act.**  
**[H.R. 4247](#). Committee vote [no. 117](#).**

This legislation would repeal Title VIII of the Dodd-Frank Act, which creates a heightened oversight regime for critical elements of financial market infrastructure that are central to global financial markets.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Ted Budd (R-NC-13), H.R. 4247 was approved in the House Committee on Financial Services on Nov. 15, 2017 by a vote of 33 - 25.*

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**To Place Requirements on Operational Risk Capital Requirements for Banking Organizations.** **[H.R. 4296](#). Roll call vote [no. 89](#).**

H.R. 4296 would boost big-bank profits at the cost of increased risk to the public by reducing the capital big banks must hold to protect the financial system and the public against a megabank failure. This bill undermines regulatory authority to require operational risk capital at large banks in order to guard against the possibility that poor risk management or illegal behavior by bank employees will cause significant losses.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Blaine Luetkemeyer (R-MO-3), H.R. 4296 was approved in the House Committee on Financial Services on Nov. 15, 2017 by a vote of 43 - 17. On Feb. 27, 2018, it passed the House of Representatives by a vote of 245 - 169.*

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**To require the appropriate Federal banking agencies to recognize the exposure-reducing nature of client. [H.R. 4659](#). Committee vote [no. 170](#).**

This bill would require federal prudential banking regulators to revise leverage capital requirements by deducting initial margin provided by a client against a centrally-cleared derivative from the denominator of the leverage ratio. This means that giant Wall Street banks, who are the major clearing members of derivatives clearinghouses, would be able to reduce the loss-absorbing capital they hold against risks.

[AFR opposed this bill.](#)

*Introduced by Rep. Blaine Luetkemeyer (R-MO-3), H.R. 4659 was approved in the House Committee on Financial Services on Mar. 21, 2018 by a vote of 44 - 16.*

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**Transparency and Accountability for Business Standards Act. [H.R. 3179](#). Committee vote [no. 130](#).**

H.R. 3179 would make it difficult for federal regulators to subject U.S. banks to safety and soundness standards stronger than those set by international regulatory bodies such as the Basel Committee. This legislation would tie standards for U.S. banks to those

used in the much weaker European banking system.

[AFR opposed this bill.](#)

*Introduced by Rep. Trey Hollingsworth (R-IN), H.R. 3179 was approved in the House Committee on Financial Services on Dec. 13, 2017 by a vote of 34 - 26.*

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**Common Sense Credit Union Capital Relief Act of 2017. [H.R. 4464](#). Committee vote [no. 132](#).**

This bill would eliminate the National Credit Union Administration (NCUA) “Risk-Based Capital” rule requiring credit unions taking certain risks to hold capital in proportion to those risks. Congress should recognize that credit unions hold \$1.3 trillion in assets, almost all of which are federally insured and thus involve public exposure.

[AFR opposed this bill.](#)

*Introduced by Rep. Bill Posey (R-FL), H.R. 4464 was approved in the House Committee on Financial Services on Dec. 13, 2017 by a vote of 33 - 25.*

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**Systemic Risk Designation Improvement Act of 2017. [H.R. 3312](#). Roll call vote [no. 694](#).**

H.R. 3312 puts unprecedented new constraints on the ability of the Federal Reserve to address risks at 26 of the country’s largest banks, ranging from \$50 billion to about \$500 billion in size, even when regulators conclude that action is needed. The bill restricts enhanced prudential oversight to just the eight largest global mega-banks already designated as systemically significant to the global



economy. This legislation goes beyond reversing Dodd-Frank Act rules and weakens regulatory authority even compared to the period before the 2008 financial crisis.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Blaine Luetkemeyer (R-MO), H.R. 3312 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 47 - 12. On Dec. 19, 2017, it passed the House of Representatives by a vote of 288 - 130. (A version of this bill was enacted as a provision of S. 2155, which is described below.)*

H.R. 5323 would eliminate critical bank capital requirements for derivatives transactions with commercial end-users. The bill eliminates the “credit valuation adjustment” (CVA) requirement, which is the portion of capital designed to protect against the failure of a counterparty to pay its derivatives obligations.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Warren Davidson (R-OH-8), H.R. 5323 was approved in the House Committee on Financial Services on Mar. 21, 2018 by a vote of 34 - 26.*

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**Derivatives Fairness Act. [H.R. 5323.](#)  
Committee vote [no. 174.](#)**

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# *Mortgage and Housing Issues*

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## **Home Mortgage Disclosure Adjustment Act. [H.R. 2954](#). Roll call vote [no. 32](#).**

This bill would exempt many banks and non-banks from a duty to report information on the racial background of applicants for mortgages and home equity lines of credit (HELOC) they either originate or decline. H.R. 2954's reporting threshold of 500 or more transactions would exempt 85 percent of depositories and 48 percent of non-depositories from these crucial reporting requirements. Expanding the reporting exemption would make it much harder for authorities and communities across the country to evaluate access to credit and to spot potentially predatory or racially discriminatory lending patterns, making it easier for lenders to conceal harmful and discriminatory practices.

### **[AFR opposed this bill.](#)**

*Introduced by Rep. Tom Emmer (R-MN-6), H.R. 2954 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 36 - 24. On Jan. 18, 2018, it passed the House of Representatives by a vote of 243 - 184. (A version of this bill was enacted as a provision of S. 2155, which is described below.)*

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## **Stop Settlement Slush Funds Act of 2017. [H.R. 732](#). Roll call vote [no. 580](#).**

H.R. 732 would make it impossible for settlements of federal civil or criminal actions to include payments or in-kind relief to organizations that are not themselves directly damaged by a defendant's illegal conduct. Payments of the type targeted by this bill are often a practical and effective way to help people who have been harmed, while holding corporate malefactors accountable at the same time. Although broad in scope, H.R. 732 takes particular aim at the kinds of consumer relief provided by a number of settlements with large banks sending bank funds to nonprofits working with homeowners to prevent foreclosures.

### **[AFR opposed this bill.](#)**

*Introduced by Rep. Bob Goodlatte (R-VA-6), H.R. 732 was approved in the House of Representatives on Oct. 24, 2017 by a vote of 238 - 183.*

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## **Mortgage Choice Act of 2017. [H.R. 1153](#). Roll call vote [no. 64](#).**

This legislation would carve out a loophole in new mortgage-lending rules, allowing some loan originators to enjoy a regulatory safe harbor despite charging high fees. H.R. 1153 would do this by exempting certain fees paid to lender-affiliated title companies—fees associated with a long history of price-gouging—from a points-and-fees threshold. The effect would

be to raise costs and remove protections for millions of homebuyers.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Bill Huizenga (R-MI-2), H.R. 1153 was approved in the House Committee on Financial Services on Nov. 14, 2017 by a vote of 46 - 13. On Feb. 8, 2018, it passed the House of Representatives by a vote of 280 - 131.*

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**Securing Access to Affordable Mortgages Act. [H.R. 3221](#). Committee vote [no. 101](#).**

This bill amends the Truth in Lending Act to provide exemptions from special appraisal requirements for higher-risk, higher-price mortgages. Objective and honest appraisals are an important protection for the integrity of the mortgage market as a whole as well as for individual borrowers.

**[AFR opposed this bill.](#)**

*Introduced by Rep. David Kustoff (R-TN-8), H.R. 3221 was approved in the House Committee on Financial Services on Nov. 15, 2017 by a vote of 32 - 26.*

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**TRID Improvement Act of 2017. [H.R. 3978](#). Roll call vote [no. 77](#).**

Originally, this bill amended the TILA/RESPA Integrated Disclosure Rule (also known as TRID) to change how title insurance fees are disclosed to consumers in a manner that would increase confusion and potentially misinform consumers as to the final cost of these fees. However, when H.R. 3978 was considered for a full House vote, it was amended to include three other harmful bills described above—H.R. 1645, H.R.

3948, and H.R. 4546—that would weaken consumer and investor rights and protections and that would limit the SEC regulatory powers to investigate high-frequency automated trading.

**[AFR opposed this bill.](#)**

*Introduced by Rep. French J. Hill (R-AR-2), H.R. 3978 was approved in the House Committee on Financial Services on Nov. 15, 2017 by a vote of 53 - 5. On Feb. 14, 2018, it passed the House of Representatives by a vote of 271 - 145.*

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**Preserving Access to Manufactured Housing Act of 2017. [H.R. 1699](#). Roll call vote [no. 651](#).**

This legislation would roll back consumer safeguards for purchasers of mobile (or manufactured) homes. Among other things, H.R. 1699 would substantially raise both the interest-rate and fee triggers for added borrower protections, allowing lenders to get around regulations designed to protect borrowers from being steered into high-cost loans with excessive fees and interest. The bill also would exempt retailers of manufactured homes from rules for loan originators, further promoting steering.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Andy Barr (R-KY-6), H.R. 1699 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 42 - 18. On Dec. 1, 2017, it passed the House of Representatives by a vote of 256 - 163. (A version of this bill was enacted as a provision of S. 2155, which is described below.)*

**Community Institution Mortgage Relief Act of 2017. [H.R. 3971](#). Roll call [no. 675](#).**

H.R. 3971 would exempt many banks with \$10 billion or less in assets from a duty to establish escrow accounts tied to higher-priced mortgages. Escrow accounts—for payments for taxes and insurance—are a way of making sure that borrowers can handle these recurring homeownership-related expenses. Lack of escrow accounts is linked to a higher likelihood of foreclosure, since homeowners can be subject to large unexpected housing-related payments that they may not have budgeted for.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Claudia Tenney (R-NY-22), H.R. 3971 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 41 - 19. On Dec. 12, 2017, it passed the House of Representatives by a vote of 294 - 129. (A version of this bill was enacted as a provision of S. 2155, which is described below.)*

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**Mortgage Fairness Act of 2017. [H.R. 2570](#). Committee vote [no. 199](#).**

H.R. 2570 would amend the Truth in Lending Act (TILA) to exempt payments to a mortgage broker or to other loan originator from the definition of the "points and fees" for a mortgage loan if such payments were reimbursed by the buyer through an increase in the mortgage interest rate rather than directly through a separate charge. H.R. 2570 would allow lenders to evade

important Dodd-Frank Act safeguards that ensure that borrowers obtain mortgages for which they have the ability to pay.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Bill Posey (R-FL-8), H.R. 2570 was approved in the House Committee on Financial Services on July 24, 2018 by a vote of 34 - 22.*

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**Portfolio Lending and Mortgage Access Act. [H.R. 2226](#). Committee vote [no. 140](#).**

H.R. 2226 would create a broad exemption for depository institutions that would make predatory lending easier by exempting thousands of banks under \$10 billion in asset size from regulations prohibiting mortgage originators from steering borrowers into excessively costly loans. In addition, it exempts creditors from their obligation to make a good faith determination based on documented information to ensure that consumers understand the terms of the loans and have a reasonable ability to repay.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Andy Barr (R-KY-6), H.R. 2226 was approved in the House Committee on Financial Services on Jan. 18, 2018 by a vote of 55 - 0. On Mar. 6, 2018, it passed the House of Representatives by voice vote on motion to suspend the rules. (A version of this bill was enacted as a provision of S. 2155, which is described below.)*

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# *Regulatory Authority and Effectiveness*

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**Regulations from the Executive in Need of Scrutiny (REINS) Act of 2017. [H.R. 26](#). Roll call vote [no. 23](#).**

This radical legislation would upend decades of administrative law practices dating back to the New Deal era of the 1930s. H.R. 26 requires explicit approval of any “major regulation” by both chambers of Congress within 70 days, in order for that rule to take effect, making it dramatically easier for large corporations to block any rules they do not like.

[AFR opposed this bill.](#)

*Introduced by Rep. Doug Collins (R-GA-9), H.R. 26 passed the House of Representatives on Jan. 5, 2017 by a vote of 237 - 187.*

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**Regulatory Accountability Act of 2017. [H.R. 5](#). Roll call vote [no. 45](#).**

This legislation would have a seriously damaging effect on a wide range of federal environmental, health, and safety regulations, and a particularly devastating impact on oversight of Wall Street and our financial system. H.R. 5 imposes a host of additional bureaucratic and procedural requirements on rulemaking that would make effective action virtually impossible.

[AFR opposed this bill.](#)

*Introduced by Rep. Bob Goodlatte (R-VA-6), H.R. 5 passed the House of Representatives on Jan. 11, 2017 by a vote of 238 - 183.*

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**OIRA Insight, Reform, and Accountability Act. [H.R. 1009](#). Roll call vote [no. 120](#).**

This legislation would require independent financial regulatory agencies to submit new regulations to the Office of Information and Regulatory Affairs (OIRA) in the White House. By adding redundant procedures and bureaucracy to an already drawn-out process, H.R. 1009 would have a crippling effect on regulation of the financial system.

[AFR opposed this bill.](#)

*Introduced by Rep. Paul Mitchell (R-MI-10), H.R. 1009 was approved on Feb. 14, 2017 in the House Committee on Oversight and Government Reform by a vote of 23 - 16. On Mar. 1, 2017, it passed the House of Representatives by a vote of 241 - 184.*

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**Taking Account of Institutions with Low Operation Risk (TAILOR) Act of 2017. [H.R. 1116](#). Roll call vote [no. 108](#).**

H.R. 1116 requires financial regulators to determine the necessity, appropriateness, and impact of applying regulatory action to certain institutions or classes of institutions.

Since an appropriately “tailored” approach to regulation is already in place, the main effect of H.R. 1116 would be to add numerous new “cost-benefit”- type requirements that would make it far more difficult to take regulatory action to protect the public.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Scott R. Tipton (R-CO-3), H.R. 1116 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 39 - 21. On Mar. 14, 2018, it passed the House of Representatives by a vote of 247 - 169.*

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**Financial Institutions Examination Fairness and Reform Act. [H.R. 4545](#). Roll call vote [no. 112](#).**

H.R. 4545 would grant regulated banks the right to appeal any supervisory determination made by any prudential banking agency or by the CFPB to a new “Office of Independent Examination Review” established in the Federal Financial Institutions Examinations Council (FFIEC). Upon appeal by a supervised bank, this new office would be required to undertake a de novo review of the agency’s supervisory decision. Each of the agencies affected by H.R. 4545 already has an intra-agency formal review and appeals process. The effect would be to allow the largest banks to appeal dozens or hundreds of material findings from every examination, making it dramatically more difficult for regulators to police wrongdoing and systemic risks.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Scott R. Tipton (R-CO-3), H.R. 4545 was approved in the House Committee on Financial Services on Dec. 13, 2017 by a vote of 50 - 10. On Mar. 15, 2018, it passed the House of Representatives by a vote of 283 - 133.*

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**Financial Stability Oversight Council Improvement Act. [H.R. 4061](#). Roll call vote [no. 135](#).**

This bill adds numerous additional procedural obstacles to the already cumbersome process the Financial Stability Oversight Council (FSOC) must follow to designate large non-bank financial entities for enhanced oversight. H.R. 4061 micromanages the FSOC designation process in ways that would at least double the time required for designation of a large non-bank entity, interfering with a process designed to protect financial stability from dangerous actions by the largest non-bank financial companies.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Dennis A. Ross (R-FL-15), H.R. 4061 was approved in the House Committee on Financial Services on Jan. 18, 2018 by a vote of 45 - 10. On Apr. 11, 2018, it passed the House of Representatives by a vote of 297 - 121.*

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**Alleviating Stress Test Burdens to Help Investors Act. [H.R. 4566](#). Roll call vote [no. 119](#).**

This bill would roll back one set of policies put in place after the crisis to make sure the Federal Reserve is vigilant about risks to



financial stability from very large nonbanks. It would eliminate both the discretionary authority to perform annual stress tests on large non-bank financial companies that have not been designated “systemically important financial institutions,” and the requirement that the lead Federal regulator of a non-bank entity conduct an annual stress test for all its non-bank financial companies with more than \$10 billion in total consolidated assets.

**AFR opposed this bill.**

*Introduced by Rep. Bruce Poliquin (R-ME-2), H.R. 4566 was approved in the House Committee on Financial Services on Jan. 18, 2018 by a vote of 47 - 8. On Mar. 20, 2018, it passed the House of Representatives by a vote of 395 - 19.*

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**Volcker Rule Regulatory Harmonization Act. H.R. 4790. Roll call vote no. 139.**

H.R. 4790 would undermine the implementation of the Volcker Rule—a key provision in the Dodd-Frank Act—by giving sole rulemaking authority for the Volcker Rule to the Federal Reserve, and by exempting banks under \$10 billion in assets from the rule. A core purpose of the Volcker rule is to prevent federally-insured funds from being used to finance speculative trading for banks’ own gain.

**AFR opposed this bill.**

*Introduced by Rep. French J. Hill (R-AR-2), H.R. 4790 was approved in the House Committee on Financial Services on Mar. 21, 2018 by a vote of 50 - 10. On Apr. 13, 2018, it passed the House of Representatives by a vote of 300 - 104. (A version of Section*

*4 of this bill was enacted as a provision of S. 2155, which is described below.)*

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**Federal Insurance Office Reform Act of 2017. H.R. 3861. Committee vote no. 184.**

H.R. 3861 would greatly weaken the powers of the Federal Insurance Office (FIO) and render it incapable of performing an effective monitoring or advisory function.

**AFR opposed this bill.**

*Introduced by Rep. Sean P. Duffy (R-WI-7), H.R. 3861 was approved in the House Committee on Financial Services on June 7, 2018 by a vote of 36 - 21.*

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**Comprehensive Regulatory Review Act. H.R. 4607. Roll call vote no. 95.**

H.R. 4607 would significantly expand and reshape the Economic Growth and Regulatory Paperwork Reduction Act (EGRPRA) to the advantage of banks and other financial companies as well as other businesses seeking to avoid or to minimize regulation.

**AFR opposed this bill.**

*Introduced by Rep. Barry Loudermilk (R-GA-11), H.R. 4607 was approved in the House Committee on Financial Services on Jan. 18, 2018 by a vote of 38 - 17. On Mar. 6, 2018, it passed the House of Representatives by a vote of 264 - 143.*

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**International Insurance Standards Act of 2018. H.R. 4537. Committee vote no. 135.**

H.R. 4537 would subject international agreements addressing systemic risks from the insurance industry to significant new restrictions.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Sean P. Duffy (R-WI-7), H.R. 4537 was approved in the House Committee on Financial Services on Dec. 13, 2017 by a vote of 56 - 4. On July 10, 2018, it passed the House of Representatives by voice vote on motion to suspend the rules.*

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# *Securities Law, Investor Protection, and Market Integrity*

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## **SEC Regulatory Accountability Act. [H.R. 78](#). Roll call vote [no. 51](#).**

This legislation would impose a host of unworkable administrative and analytical burdens on the Securities and Exchange Commission (SEC), an agency that is already subject to stringent economic analysis requirements. The effect would be to make it extraordinarily difficult for the SEC to ever successfully complete a regulation opposed by powerful industry actors.

### **[AFR opposed this bill.](#)**

*Introduced by Rep. Ann Wagner (R-MO-2), H.R. 78 passed the House of Representatives on Jan. 12, 2017 by a vote of 243 - 184.*

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## **Helping Angels Lead Our Startups (HALOS) Act . [H.R. 79](#). Roll call vote [no. 31](#).**

This legislation would permit issuers of unregistered securities to be exempted from safeguards put in place to prevent fraud and abuse of ordinary investors, as long as solicitations were made at an “event” sponsored by any of a wide range of non-profit or educational organizations and trade associations. This exemption would

invite efforts to game the rules, and likely lead to losses for investors who are not in a position to take the significant risks associated with purchases of unregistered securities.

### **[AFR opposed this bill.](#)**

*Introduced by Rep. Steve Chabot (R-OH-1), H.R. 79 passed the House of Representatives on Jan. 12, 2017 by a vote of 344 - 73.*

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## **Fair Access to Investment Research Act of 2017. [H.R. 910](#). Roll call vote [no. 237](#).**

This legislation would create major new exemptions from rules governing broker-dealer research reports on exchange-traded funds (ETF). It would allow ETF sponsors to release research designed to promote their funds without having to meet standards designed to ensure accurate information for investors. ETFs are a rapidly growing investment product, and accurate information regarding such products is a significant investor need.

### **[AFR opposed this bill.](#)**

*Introduced by Rep. French J. Hill (R-AR-2), H.R. 910 was approved in the House Committee on Financial Services on March 9, 2017 by a vote of 56 - 2. On May 1, 2017*

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*it passed the House of Representatives by a vote of 405 - 2. ([S. 327](#), an identical bill introduced in the Senate by Sen. Dean Heller (R-NV), passed both chambers of Congress and became public law on Oct. 6, 2017.)*

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**Small Business Mergers, Acquisitions, Sales, and Brokerage Simplification Act of 2017. [H.R. 477](#). Committee vote [no. 83](#).**

This legislation would exempt certain merger-and-acquisition (M&A) brokers from SEC broker-dealer registration requirements that provide valuable oversight information for regulators and the public. The exemptions would cover privately held companies with up to \$250 million in gross annual revenues—a threshold far exceeding the size of small businesses that use ordinary M&A brokers.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Bill Huizenga (R-MI-2), H.R. 477 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 37 - 23. (Significant improvements were made to this bill after the committee acted, and on Dec. 7, 2017 it passed the House of Representatives by a vote of 426 - 0.)*

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**Market Data Protection Act of 2017. [H.R. 3973](#). Committee vote [no. 88](#).**

H.R. 3973 would prevent the SEC from accepting new records of market trading data for the Consolidated Audit Trail (CAT) until “comprehensive” risk controls are established by the SEC, national securities associations, and CAT operators. The CAT represents the first comprehensive data

system to record all securities trading and make it easier to detect market manipulation and other illegitimate trading practices. This bill would effectively halt the implementation of CAT, allowing potential market abuses to remain the dark on the pretext that risk controls are not adequately comprehensive.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Warren Davidson (R-OH-8), H.R. 3973 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 59 - 1. On Nov. 13, 2017, it passed the House of Representatives by a voice vote on motion to suspend the rules.*

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**Protecting Advice for Small Savers (PASS) Act of 2017. [H.R. 3857](#). Committee vote [no. 86](#).**

The aim of H.R. 3857 was to undo the Department of Labor’s (DOL’s) conflict of interest (or “fiduciary”) rule, which requires all financial professionals providing investment advice to retirement savers to place their clients’ best interest first. In place of true fiduciary protections, H.R. 3857 would substitute a watered-down standard that relies on simple disclosure of conflicts of interest.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Ann Wagner (R-MO-2), H.R. 3857 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 34 - 26.*

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**To amend the Securities Act of 1933 to codify certain qualifications of individuals**

**as accredited investors for purposes of the securities laws. [H.R. 1585](#). Committee vote [no. 90](#).**

Although this bill included some reasonable changes in the definition of accredited investor, it also locks in place through statute an outdated numerical threshold that is too low, and blocks the SEC from updating and improving the definition through rulemaking. Since accredited investors can be sold securities without key investor protections, the bill would block reforms to protect less-wealthy investors and retirees.

**[AFR opposed this bill.](#)**

*Introduced by Rep. David Schweikert (R-AZ-6), H.R. 1585 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 58 - 2. On Nov. 11, 2017, it passed the House of Representatives by a voice vote on motion to suspend the rules.*

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**Fostering Innovation Act of 2017. [H.R. 1645](#). Committee vote [no. 91](#).**

This bill would double the time period before a subset of new public companies must comply with key financial reporting controls, most notably with rules requiring attestation by an auditor that their earnings and accounting are accurate. H.R. 1645 applies to companies with low revenue growth, a category of stock issuer with a particularly strong incentive to manipulate financial statements and deceive investors.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Krysten Sinema (D-AZ-9), H.R. 1645 was approved in the House Committee on Financial Services on*

*Oct. 12, 2017 by a vote of 48 - 12. (A version of this bill passed the House of Representatives as a provision of H.R. 3978, which is described below.)*

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**Protection of Source Code Act. [H.R. 3948](#). Committee vote [no. 94](#).**

This legislation would restrict the SEC's ability to examine the operations and strategies of high-frequency or automated traders, even if their activities pose a risk to markets or the financial system.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Sean P. Duffy (R-WI-7), H.R. 3948 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 46 - 14. (A version of this bill passed the House of Representatives as a provision of H.R. 3978, which is described below.)*

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**Risk-Based Credit Examination Act. [H.R. 3911](#). Roll call vote [no. 615](#).**

H.R. 3911 weakens regulatory oversight of large credit rating agencies, such as Moody's and S&P, by making annual examinations by the SEC optional rather than mandatory. It would also give the credit rating agencies a new basis for mounting court challenges to examinations even if the SEC did choose to conduct them. The credit rating agencies were a crucial contributor to the 2008 financial crisis, certifying "toxic" mortgage securities as safe, investment-grade products.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Ann Wagner (R-MO-2), H.R. 3911 was approved in the House*

*Committee on Financial Services on Oct. 12, 2017 by a vote of 60 - 0. On Nov. 7, 2017 it passed the House of Representatives on motion to suspend the rules by a vote of 389 - 32.*

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**Micro Offering Safe Harbor Act. [H.R. 2201](#). Roll call vote [no. 622](#).**

This legislation would exempt so-called “micro-cap offerings” (offerings valued at \$500,000 or less in a single year) from core provisions of the 1933 Securities Act, including registration, disclosures, and other safeguards against fraud. This legislation significantly weakens investor protections that have been in place since the 1930s, and leaves small investors more vulnerable to abuse.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Tom Emmer (R-MN-6), H.R. 2201 was approved in the House Committee on Financial Services on Oct. 12, 2017 by a vote of 34 - 26. On Nov. 9, 2017, it passed the House of Representatives by a vote of 232 - 188.*

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**Regulation A+ Improvement Act of 2017. [H.R. 4263](#). Roll call vote [no. 110](#).**

H.R. 4263 would allow a company to sell securities for up to \$75 million a year without being subject to the usual registration and disclosure requirements for a public offering. This is an unjustified increase from the current level of \$50 million.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Thomas MacArthur (R-NJ-3), H.R. 4263 was approved in the House Committee on Financial Services on Nov. 15, 2017 by a vote of 37 - 23. On Mar. 15, 2018, it passed the House of Representatives by a vote of 246 - 170.*

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**Small Business Credit Availability Act. [H.R. 4267](#). Committee vote [no. 112](#).**

This legislation increases risks to investors by greatly expanding the amount that Business Development Companies (BDC) are permitted to borrow from the current 1-1 level (one dollar of borrowed money for every dollar of investor equity) to 2-1. H.R. 4267 would only increase profits for BDC managers while harming investors, at no clear benefit to small businesses.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Steve Stivers (R-OH-15), H.R. 4267 was approved in the House Committee on Financial Services on Nov. 15, 2017 by a vote of 58 - 2. (A version of this bill was enacted as a provision of H.R. 1625, the “Consolidated Appropriations Act, 2018”, which passed into law on March 23, 2018.)*

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**Expanding Investment Opportunities Act. [H.R. 4279](#). Committee vote [no. 114](#).**

H.R. 4279 would allow closed-end funds to take advantage of a wide range of exemptions from standard securities offering rules. These exemptions were designed for operating companies, not for purely financial vehicles like closed-end funds, which are often less cost-efficient,



transparent, and liquid—and more leveraged—than open-end funds

**[AFR opposed this bill.](#)**

*Introduced by Rep. Trey Hollingsworth (R-IN-9), H.R. 4279 was approved in the House Committee on Financial Services on Nov. 15, 2017 by a vote of 58 - 2. (A version of this bill was enacted as a provision of S. 2155, which is described below.)*

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**National Securities Exchange Regulatory Parity Act. [H.R. 4546](#). Committee vote [no. 122](#).**

H.R. 4546 would amend the Securities Act of 1933 to remove the requirement that exchange-traded securities meet rigorous listing standards to qualify for exemption from state oversight. The effect would be to allow riskier, less-liquid securities to qualify as “covered securities” and avoid state securities laws designed to protect investors, savers, and financial markets from fraud and other wrongdoing.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Edward Royce (R-CA-39), H.R. 4546 was approved in the House Committee on Financial Services on Dec. 13, 2017 by a vote of 46 - 14. (A version of this bill was enacted as a provision of S. 2155, which is described below.)*

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**Accelerating Access to Capital Act of 2017. [H.R. 4529](#). Committee vote [no. 124](#).**

This bill would make it easier for unproven micro-cap companies to issue shares without undergoing prior review of their offering documents by SEC staff. This would

facilitate accounting fraud, market manipulation, and insider trading, all of which have been found to be more common among micro-cap companies.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Ann Wagner (R-MO-2), H.R. 4529 was approved in the House Committee on Financial Services on Dec. 13, 2017 by a vote of 34 - 26.*

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**Corporate Governance Reform and Transparency Act. [H.R. 4015](#). Roll call vote [no. 702](#).**

H.R. 4015 would establish a new federal regulatory scheme for proxy advisory firms that would allow managers at publicly traded firms to control the voting advice given to shareholders. Proxy advisory firms provide investors, including pension funds, with the research and information they need in order to exercise their rights as shareholders. This legislation would make it harder for investors to get independent advice on important decisions about the companies in which they invest.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Sean P. Duffy (R-WI-7), H.R. 4015 was approved in the House Committee on Financial Services on Nov. 15, 2017 by a vote of 40 - 20. On Dec. 20, 2017 it passed the House of Representatives by a vote of 238 - 182.*

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**Small Company Disclosure Simplification Act of 2018. [H.R. 5054](#). Committee vote [no. 182](#).**

H.R. 5054 would permit newly public companies with revenues under \$1 billion and existing public companies with revenues under \$250 million to wait five years before putting financial disclosures into machine-readable format for easy access and analysis by investors.

**[AFR opposed this bill.](#)**

*Introduced by Rep. David Kustoff (R-TN-8), H.R. 5054 was approved in the House Committee on Financial Services on June 7, 2018 by a vote of 32 - 23.*

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**To require the Securities and Exchange Commission to adjust certain resubmission thresholds for shareholder proposals. [H.R. 5756](#). Committee vote [no. 183](#).**

H.R. 5756 would make it much harder to resubmit shareholder proposals. Shareholder proposals often do not gain support until they have been resubmitted two or more times, allowing investors to gradually become more familiar with an idea. This bill would thus add greatly to the difficulty of a process that is already tilted in favor of corporate executives and against shareholders.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Sean P. Duffy (R-WI-7), H.R. 5756 was approved in the House Committee on Financial Services on June 7, 2018 by a vote of 34 - 22.*

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**Streamlining Communications for Investors Act. [H.R. 6035](#). Committee vote [no. 189](#).**

H.R. 6035 would allow underwriters and dealers to take advantage of a securities-law exemption that currently lets “well known seasoned issuers” (WKSI) to communicate with potential investors before registering securities with the SEC. H.R. 6035 would increase the likelihood that investors will be asked to make investment decisions without being able to fully assess the risks involved.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Ted Budd (R-NC-13), H.R. 6035 was approved in the House Committee on Financial Services on June 14, 2017 by a vote of 31 - 23.*

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**Helping Startups Continue to Grow Act. [H.R. 6130](#). Committee vote [no. 190](#).**

H.R. 6130 would extend for an additional five years the exemption from important registration and disclosure requirements for so-called “emerging growth companies” (EGC). The bill would create a ten-year exemption from core registration and disclosure requirements for a wide range of companies.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Keith J. Rothfus (R-PA-12), H.R. 6130 was approved in the House Committee on Financial Services on June 21, 2018 by a vote of 32 - 23.*

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**Consumer Financial Choice and Capital Markets Protection Act of 2017. [H.R. 2319](#). Committee vote [no. 145](#).**

H.R. 2319 would reverse important post-crisis reforms by allowing institutional money market funds (MMF) to report a fixed market value instead of their actual current value. During the 2008 crisis, the value of prime money market funds that had overloaded on risky bank debt declined sharply, triggering a multi-hundred-billion-dollar run that threatened the stability of the financial system until the Federal government stepped in by publicly guaranteeing the stability of the MMF sector's assets. To avoid future problems regulators mandated reporting of valuations that better reflected real market risks in the sector.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Keith J. Rothfus (R-PA-12), H.R. 2319 was approved in the House Committee on Financial Services on Jan. 18, 2018 by a vote of 34 - 21.*

**Mutual Fund Litigation Reform Act. [H.R. 4738](#). Committee vote [no. 148](#).**

H.R. 4738 would make it significantly harder for mutual fund investors to contest excessive and unreasonable fees charged by fund advisers. Excessive fees have been a rampant problem in the mutual fund industry, and the process of disputing them is already onerous—H.R. 4738 would make it more so.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Tom Emmer (R-MN-6), H.R. 4738 was approved in the House Committee on Financial Services on Jan. 18, 2018 by a vote of 31 - 25.*

**Public Company Registration Threshold Act. [H.R. 5051](#). Committee vote [no. 172](#).**

Since the 1930s, public registration has been a crucial element of investor protection and the health of the broader financial markets. H.R. 5051 is one of a proliferation of bills designed to help companies sell stock to ordinary investors without going public. Under current rules, no private company can raise more than \$1 million in a year and have more than 35 non-accredited investors—investors who fall short of certain minimum standards of wealth or financial sophistication. H.R. 5051 would increase that threshold to 2,000 investors, making it easier for corporate insiders to avoid core disclosure and investor protection standards.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Sean P. Duffy (R-WI-7), H.R. 5051 was approved in the House Committee on Financial Services on Mar. 21, 2018 by a vote of 34 - 26.*

**JOBS and Investor Confidence Act of 2018. [S. 488](#). House of Representatives Roll call vote [no. 333](#).**

S. 488 contains thirty-two different provisions, many of which are other securities-related bills discussed in this report. AFR had previously opposed eleven of these provisions and, although we also

had supported a few provisions, opposed the bill as a whole based on the assessment that it meaningfully weakened investor protections.

**[AFR opposed this bill.](#)**

*Introduced by Sen. Pat Toomey (R-PA), S. 488 had previously advanced through the Senate before it was radically amended and approved by the House of Representatives on July 17, 2018 by a vote of 406 - 4 on motion to suspend the rules. The amended bill returned to the Senate for potentially further amendments and a vote on passage.*

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**Main Street Growth Act. [H.R. 5877.](#) Committee vote [no. 181.](#)**

H.R. 5877 would allow national securities exchanges to become “venture exchanges” and trade shares in early-stage companies, including non-public companies.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Tom Emmer (R-MN-6), H.R. 5877 was approved in the House Committee on Financial Services on June 7, 2017 by a vote of 56 - 0. On July 10, 2018, it passed the House of Representatives by a voice vote on motion to suspend the rules.*

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**American Customer Information Protection Act. [H.R. 4785.](#) Committee vote [no. 149.](#)**

By prohibiting the Consolidated Audit Trail (CAT) from collecting personal information on market participants, H.R. 4785 would make it harder for the SEC to identify customers and brokers involved in fraud or manipulative or destabilizing trades.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Bill Huizenga (R-MI-2), H.R. 4785 was approved in the House Committee on Financial Services on Jan. 18, 2018 by a vote of 31 - 25.*

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## *Multi-Issue Financial Deregulation*

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### **Fairness in Class Action Litigation Act. [H.R. 985](#). Roll call vote [no. 148](#).**

Banding together in a class action is often the only practical way for consumers or investors to fight back against systematic fraud committed by banks, lenders, securities issuers, and other financial entities. H.R. 985 would make class actions far more difficult by, among other things, insisting that all the plaintiffs have suffered precisely the same type and scope of injury, limiting their choice of counsel, drastically reducing attorney compensation, and adding costly and unnecessary delays and appeals to the process.

#### **[AFR opposed this bill.](#)**

*Introduced by Rep. Bob Goodlatte (R-VA-6), H.R. 985 was approved in the House Committee on the Judiciary by a vote of 19 - 12. On Mar. 9, 2017, it passed the House of Representatives by a vote of 220 - 201.*

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### **Financial CHOICE Act of 2017. [H.R. 10](#). Roll call vote [no. 299](#).**

This nearly 600-page bill is an extremely radical and far-reaching measure that would eliminate major elements of the Dodd-Frank reform legislation put in place to protect consumers and prevent a repeat of the financial crisis of 2008. The bill would also undermine regulatory powers that long pre-date the Dodd-Frank Act. To take just a

few examples, the CHOICE Act would eliminate new restrictions on subprime mortgage lending like those that were at the heart of the financial crisis, eliminate the Volcker Rule against proprietary trading by banks, and totally undo the CFPB's power to be an effective regulator. The bill would also tie the hands of regulators in exercising their pre-Dodd Frank Act authorities by imposing a host of unprecedented new legal hurdles before regulators could act to rein in bank risks or protect consumers or investors. If the CHOICE Act became law, financial regulation would be significantly weaker even than it was in the era that led up to—and made possible—the 2008 crisis.

#### **[AFR opposed this bill.](#)**

*Introduced by Rep. Jeb Hensarling (R-TX-5), H.R. 10 was approved in the House Committee on Financial Services on May 4, 2017 by a vote of 34 - 26. On June 8, 2017, it passed the House of Representatives by a vote of 233 - 186. (Several measures voted on as separate bills covered in this record were also included in the CHOICE Act, and a number of sections of the CHOICE Act were enacted as provisions of S. 2155, which is described below.)*

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**Economic Growth, Regulatory Relief, and Consumer Protection Act. [S. 2155](#). U.S. Senate vote [no. 54](#). House of Representatives Roll call vote [no. 216](#).**

This legislative package weakens important regulatory protections put in place after the 2008 financial crisis. S. 2155 increases the fragility of the financial system by weakening risk controls at banks—not just community banks, but also large banks that collectively received tens of billions in Troubled Asset Relief Program (TARP) funds. The bill also lowers the amounts of capital that banks are required to hold to protect against potential losses and to lower the risks of megabank failures that would require a public bailout or cause systemic disruptions. By exempting 85 percent of depositories from Home Mortgage Disclosure Act reporting requirements, S. 2155 makes it easier for lenders to engage in and conceal discriminatory lending practices. S. 2155 also exempts manufactured home retailers and employees from anti-steering provisions, putting manufactured home-buyers at risk of unknowingly paying much higher prices. S. 2155 removes other vital protections for homebuyers by expanding the qualified mortgage exemption to larger lenders, removing escrow requirements for high cost loans and easing appraisal requirements for rural loans. The addition of a few modest consumer protections does not come close to outweighing the dangerous overall impact of this measure, which came at a time when the Trump Administration and newly appointed regulators were already pushing hard to deregulate Wall Street. S. 2155 both encourages and speeds up acts of deregulation, and makes them harder for future administrations to reverse.

**AFR opposed both [the Senate](#) and [the House](#) versions of this bill.**

*Introduced by Sen. Mike Crapo (R-ID), S. 2155 was approved on Dec. 5, 2017, in the Senate Committee on Banking, Housing, and Urban Affairs by a vote of 16 - 7. (The Committee posted [this video](#) on its website as official record of the vote.) S. 2155 passed the Senate on Mar. 14, 2018 by a vote of 67 - 31. On May 22, 2018, it passed the House of Representatives by a vote of 258 - 159.*

#### ***Amendments to S. 2155***

The Senate Banking Committee considered more than 30 amendments intended to mitigate the deregulatory impact of this bill. They included proposals to reinstate the Consumer Financial Protection Bureau's forced arbitration rule (offered by Sen. Catherine Cortez Masto (D-NV)); to withhold regulatory relief from banks that, like Wells Fargo, encourage employees to create fraudulent consumer accounts (by Sen. Robert Menendez (D-NJ)); to maintain the stress-testing of banks with more than \$10 billion in assets (by Sen. Sherrod Brown (D-OH)); to restore key mortgage safeguards for rural homeowners (by Sen. Brian Schatz (D-HI)); and to prohibit certain marketing partnerships between colleges and companies selling financial products to students (by Sen. Elizabeth Warren (D-MA)).

The committee rejected all the Democratic amendments. In most cases, it did so by a vote of 16-7, with four Democratic Senators—Mark Warner (VA), Heidi Heitkamp (ND), Joe Donnelly (IN), and Jon Tester (MT)—joining all 12 committee Republicans in opposition of the amendments, and the remaining Democrats voting in favor—Cortez Masto, Warren, Menendez, Brown, Schatz, Jack Reed (RI), and Chris Van Hollen (MD).



**Interior, Environment, Financial Services and General Government, Agriculture, Rural Development, Food and Drug Administration, and Transportation, Housing and Urban Development Appropriations Act, 2019. [H.R. 6147](#). House of Representatives Roll call vote [no. 365](#).**

Title IX of this bill—consisting of 125 pages, more than one-third of the entire bill—includes a grab bag of deregulatory provisions aimed at assisting banks and financial institutions at the expense of the public interest.

**[AFR opposed the House version of this bill.](#)**

*Introduced by Rep. Ken Calvert (R-CA-42), H.R. 6147 passed the House of Representatives on July 19, 2018 by a vote of 217 - 199. (Significant improvements that addressed AFR's concerns were made to this bill after the House vote, and on Aug. 1, 2018, it passed the U.S. Senate by a vote of 92 - 6.)*

**[House Amendment 949 to H.R. 6147 \(Amdt. no. 87\). Roll call vote \[no. 362\]\(#\).](#)**

Amendment number 87 to the appropriations bill H.R. 6147 would prohibit any taxpayer funds from going to support the Postal Service's efforts to expand or enhance financial services products, or to carry out any pilot programs or task forces pursuant to that end. This amendment was

commonly referred to as the “anti-postal banking amendment” because it would have put a halt to any future postal banking initiatives. It would also modify the Postal Service’s existing legal authority to enhance its offering of basic financial services—including domestic electronic money transfers, bill payment services, expanded check cashing, and expanded international money transfers.

**[AFR opposed this amendment.](#)**

*Introduced by Rep. Patrick McHenry (R-NC-10), H.Amdt.949 failed in the House of Representatives on July 18, 2018 by a vote of 201 - 212.*

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**Promoting Real Opportunity, Success, and Prosperity through Education Reform (PROSPER) Act. [H.R. 4508](#). Committee Roll call vote [no. 37](#).**

The reauthorization of the Higher Education Act should be a real opportunity to help students; instead, the PROSPER Act makes their lives worse in nearly every aspect. It raises repayment costs for struggling borrowers, lets institutions that defraud students off the hook, and narrows relief for defrauded students.

**[AFR opposed this bill.](#)**

*Introduced by Rep. Virginia Foxx (R-NC-5), H.R. 4508 was approved in the House Committee on Education and the Workforce on Dec. 13, 2017 by a vote of 23 - 17.*

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# *Taxes*

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**Tax Cuts and Jobs Act. [H.R. 1](#). House of Representatives Roll call vote [no. 699](#). U.S. Senate vote [no. 323](#).**

Over the next decade, the financial industry stands to gain an estimated \$250 billion from the corporate tax rate cuts in this measure, with seven banks realizing an average 14 percent increase in earnings per share, all else being equal. Many financial businesses are organized as pass-through businesses and stand to realize large gains from the new law's 20 percent deduction for pass-through income. This part of the tax bill will also deliver rewards to hedge funds, private equity funds, and real estate investment companies, coming on top of other tax rules that already incentivize their often abusive or wasteful activities.

**[AFR opposed this bill.](#)**

*Originally introduced by Rep. Kevin Brady (R-TX-8), H.R. 1, as amended, was approved in the Senate on Dec. 20 by a vote of 51 - 48, and on the same day in the House of Representatives by a vote of 224 - 201.*

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## *Senate Confirmations*

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### **Confirmation of Elizabeth DeVos as Secretary of Education. Senate vote [no. 54](#).**

DeVos, a billionaire Republican fundraiser, had only one claim to educational expertise: her record as a funder and promoter of vouchers and charter schools in her home state of Michigan. For far too long, tax dollars have flowed freely to predatory for-profit schools that leave their students with heavy debts and worthless credentials. During her confirmation hearing, DeVos refused to commit herself to enforcing federal rules intended to prevent fraud and abuse by schools and lenders, and failed to express any meaningful concern for, or knowledge of, these huge problems of public policy.

#### **[AFR opposed this confirmation.](#)**

*The Senate confirmed DeVos's nomination on Feb. 7, 2017, by a vote of 51 - 50.*

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### **Confirmation of Steven Mnuchin as Treasury Secretary. Senate vote [no. 63](#).**

The Treasury Secretary should be someone with a history of viewing economic policy from a public-interest perspective, not someone driven by the pursuit of private profit, as Mnuchin appears to have been. As chief executive of OneWest bank, Mnuchin oversaw the execution of tens of thousands of foreclosures, heavily concentrated in

minority communities. He did so after receiving taxpayer bailout funding and special government support conditioned on the bank's commitment to make its "best efforts" to restructure loans and keep families in their homes. OneWest bent the rules to speed up foreclosures, according to California authorities, while a New York State judge called the bank's practices "harsh, repugnant, shocking, and repulsive." OneWest's reverse mortgage subsidiary, Financial Freedom, was also widely criticized. Reverse mortgages, marketed to the elderly as a way to tap home equity, are supposed to include protections against eviction, but Financial Freedom foreclosed on more than 16,000 homeowners—a number far out of proportion to its market share.

#### **[AFR opposed this confirmation.](#)**

*The Senate confirmed Mnuchin's nomination on Feb.13, 2017, by a vote of 53 - 47.*

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### **Confirmation of Neil Gorsuch as Associate Justice of the Supreme Court. Senate vote [no. 111](#).**

Judge Gorsuch's writings and decisions showed a consistent hostility to the rights of investors and consumers, and, more broadly, to Americans' ability to seek redress in the courts when treated unlawfully by large corporations. His stated views suggested that

Judge Gorsuch would support rulings increasing the risk of fraud and abuse and making it easier for financial companies to block or repeal regulations needed to protect the economy against Wall Street recklessness and the threat of another financial calamity.

**[AFR opposed this confirmation.](#)**

*The Senate confirmed Gorsuch's nomination on Apr. 7, 2017, by a vote of 54 - 45.*

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**Confirmation of Jay Clayton as Chair of the Securities and Exchange Commission. Senate vote [no. 118](#).**

As a Sullivan & Cromwell attorney, Clayton represented a host of major securities issuers, casting doubt on his ability to bring an investor rather than a Wall Street perspective to key SEC decisions involving disclosure, enforcement and rulemaking. His longtime client, Goldman Sachs, played a central role in the financial crisis of 2008 and had a long record of questionable market behavior, which Clayton declined to criticize during his confirmation hearing. He also failed to commit himself to aggressive enforcement of the laws against insider trading. As SEC Chair, Clayton is obliged to recuse himself from participating in enforcement actions involving many important Wall Street entities, creating a potential barrier to the SEC's ability to discipline them.

**[AFR opposed this confirmation.](#)**

*The Senate confirmed Clayton's nomination on May 2, 2017, by a vote of 61 - 37.*

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**Confirmation of Christopher Giancarlo as Chair of the Commodity Future Trading Commission (CFTC).**

As a CFTC Commissioner, Giancarlo was a sharp critic of what he called "the political narrative that the financial crisis was primarily about deregulated banks engaged in excessive trading leverage." More specifically, he opposed the idea of strong oversight of dealers in financial and commodity derivatives, attacking transparency reforms, leverage limits for the largest dealers, and a number of other critical reforms. The CFTC Chair is the single most powerful regulator of these rapidly expanding and still dangerously opaque markets, which played a conspicuous role in triggering the financial crisis.

**[AFR opposed this confirmation.](#)**

*The Senate Committee on Agriculture, Nutrition, and Forestry endorsed Giancarlo's nomination on June 29, 2017, by a vote of 16 - 5. (The Committee posted [this video](#) on its website as official record of the vote.) The Senate confirmed the nomination on Aug. 3, 2017, by a voice vote.*

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**Confirmation of Neomi Rao as Administrator of the Office of Information and Regulatory Affairs (OIRA). Senate vote [no. 156](#).**

OIRA, which is housed at the Office of Management and Budget, reviews draft regulations, theoretically in order to make sure that agencies have followed executive orders requiring them to, among other things, consider alternatives and weigh costs as well as benefits. As an associate professor of law and founding director of the Center for the Study of the Administrative State at

George Mason University's Antonin Scalia Law School, Neomi Rao had expressed a broadly skeptical attitude toward regulation, and a particular hostility to the idea of insulating financial oversight agencies from industry and political influence. Rao had also criticized the Consumer Financial Protection Bureau for using its statutory authority to guard consumers against “abusive acts or practices.” Rao’s extreme ideological positions seemed likely to be powerful drivers of OIRA decision-making under her leadership.

**[AFR opposed this confirmation.](#)**

*The Senate confirmed Rao’s nomination on July 10, 2017, by a vote of 54 - 41.*

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**Confirmation of Randal Quarles as Vice Chairman for Supervision of the Board of Governors of the Federal Reserve System. Senate vote [no. 213](#).**

As a senior official of the Treasury Department during the George W. Bush administration, Randal Quarles was a key member of the regulatory team that ignored signs of an epic meltdown-in-the-making. Later, as a partner in a private equity firm, Quarles was able to profit from government fire sales of bank assets in the Bank United deal, with taxpayer guarantees provided by the Federal Deposit Insurance Corporation (FDIC). The job of overseeing the Federal Reserve’s bank supervision efforts demands someone with a demonstrated ability to resist Wall Street’s power, not a nominee drawn from the set of insiders who failed to take action to avert the financial crisis and then profited from it.

**[AFR opposed this confirmation.](#)**

*The Senate confirmed Quarles’ nomination on Oct. 5, 2017, by a vote of 65 - 32.*

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**Confirmation of Joseph Otting as Comptroller of the Currency. Senate vote [no. 277](#).**

Otting served as CEO of OneWest Bank from 2010 to 2015. Under his leadership, OneWest carried out tens of thousands of foreclosures and attracted a large number of consumer complaints. The bank was also implicated in redlining practices: in 2014 and 2015, OneWest made just two mortgages to black borrowers in a set of Southern California counties where the bank had 74 branches. One of the most concerning pieces of the Otting legacy at OneWest are the recently settled Justice Department charges of misconduct in its reverse mortgage business. The Office of the Comptroller of the Currency (OCC) is the principal safety-and-soundness regulator of national banks which together hold more than two-thirds of the country’s total banking assets. The Comptroller’s job calls for someone with an informed and serious commitment to serving the public interest. Nothing in this nominee’s record suggested such a commitment.

**[AFR opposed this confirmation.](#)**

*The Senate confirmed Otting’s nomination on Nov. 16, 2017, by a vote of 54 - 43.*

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**Confirmation of Kathleen Laura Kraninger as Director of the Consumer Financial Protection Bureau.**

Kraninger has shown no track record and given no indication that she would defend the interests of consumer against abuse at

the hands of Wall Street banks and predatory lenders. Instead, Kraninger has endorsed Mick Mulvaney's prioritizing of financial industry interests over consumers and the rule of law. It is also troublesome that Kraninger's refuses to provide any documentation or to answer any questions about her management decisions at the Office of Management and Budget—especially regarding her involvement in or views on the most controversial policies at the agencies she was tasked with overseeing, including horrific family separations and the

disastrous response to Hurricanes Irma and Maria.

**[AFR opposed this confirmation.](#)**

*The Senate Committee on Banking, Housing, and Urban Affairs approved Kraninger's nomination on Aug. 23, 2018 by a vote of 13 - 12. (The Committee posted [this video](#) on its website as official record of the vote.) A full Senate vote on confirmation has not yet taken place.*



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## *Lawmakers Most Often Voting with Wall Street and Financial Companies*

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This report includes 90 votes taken by members of the 115th Congress on the House or Senate floor, and in several committees. All but one (a vote on an amendment to an appropriations bill) were measures to deregulate finance, and to in some way serve the interests of Wall Street and the financial industry at the expense of the public interest. In the following section, we summarize the House members and Senators who most consistently voted for these proposals. The tables below include both incumbents and former members of the 115th Congress who recorded a vote on at least one of the bills covered in this report.

### ***House of Representatives:***

In the House of Representatives, 106 members voted for all 38 of the deregulatory measures covered in this report that came to a House floor vote, and 195 members voted for every one of the bills on which they took a vote (some Representatives did not vote on one or more bills for one reason or another). Table 1 (p. 41) lists these 195 House members, all of whom are Republicans.

An additional 43 House members—also all Republicans—opposed at least one bill but voted for 90 percent or more of the bills (at least 34 of the 38). Table 2 (p. 42) lists those 43 Representatives. Table 3 (p. 43) lists the

nine Representatives, two Democrats and seven Republicans, who voted for between 75 and 90 percent of the bills. Table 4 (p. 43) lists the 13 Representatives—all Democrats—who voted for between 50 percent and 75 percent of the deregulatory bills.

Rep. Walter C. Jones (NC-3) stood out among Republicans, voting against 25 (66 percent) of the deregulatory bills; no other member of his party voted against more than 5 bills.

Those who most consistently opposed deregulatory measures—voting against 36 of the 38 bills—were eight Democrats: Adriano Espaillat (NY-13), Jared Huffman (CA-2), Mark DeSaulnier (CA-11), Pramila Jayapal (WA-7), Raul Grijalva (AZ-3), Ro Khanna (CA-17), Janice Danoff Schakowsky (IL-9), and Jerrold Nadler (NY-10).

### ***House Committee on Financial Services:***

In addition to House floor votes, this report covers 36 anti-public-interest bills that passed in the House Financial Services Committee (HFSC) but did not receive a full House floor vote as of the end of August, 2018.

Nineteen members of the Committee—all Republicans—voted in favor of *all* 36 bills, as shown in Table 5 (p. 44). In addition, the 16 members listed in Table 6 (p. 44), 15 Republicans and 1 Democrat, voted to advance 50 to 99 percent of the bills (18 to 35 of the 36 bills).

Opposing these measures at least 75 percent of the time, 4 members of the Committee most consistently voted against bills to deregulate finance: Michael Capuano (MA-7), Stephen Lynch (MA-8), Al Green (TX-9), and Maxine Waters (CA-43).

***Senate:***

The Senate votes covered by our voting record include 5 deregulatory measures and 9 confirmations of nominees that AFR opposed because of their anti-public-interest positions on Wall Street, lending, and financial issues. Twelve of those votes were Senate floor votes and two were committee votes. ( One of the committee votes is on the nomination of Christopher Giancarlo as

CFTC Commissioner in the Senate Committee on Agriculture, Nutrition, and Forestry; the floor vote on this nomination was a voice vote. The other is the Senate Committee on Banking, Housing, and Urban Affairs vote on the nomination of Kathleen Laura Kraninger as Director of the CFPB; this nomination has not yet moved to the floor. These two committee votes are excluded from the tables below to maintain a consistent number of votes for all Senators. )

Table 7 (p. 45) lists the 44 members of the Senate, all Republicans and including the Vice President, who did not cast a single vote against the financial deregulatory measures or the AFR-opposed nominees included in this report. Table 8 (p. 45) lists the other twelve Senators, 2 Democrats and 10 Republicans, who voted more than 50 percent of the times (between 7 to 11 votes) in favor of the financial industry over the public interest.

*Table 1. Representatives who voted to advance every deregulatory bill included in this report with a recorded House floor vote.*

Name	State-District	Yes Votes	Name	State-District	Yes Votes	Name	State-District	Yes Votes	Name	State-District	Yes Votes
Ralph Abraham [R]	LA-05	38	Mike Kelly [R]	PA-03	38	Roger Williams [R]	TX-25	38	Louie Gohmert Jr. [R]	TX-01	36
Robert Aderholt [R]	AL-04	38	Trent Kelly [R]	MS-01	38	Joe Wilson [R]	SC-02	38	Bill Huizenga [R]	MI-02	36
Rick Allen [R]	GA-12	38	Steve King [R]	IA-04	38	Robert Wittman [R]	VA-01	38	Will Hurd [R]	TX-23	36
Brian Babin [R]	TX-36	38	Adam Kinzinger [R]	IL-16	38	Steve Womack [R]	AR-03	38	Evan Jenkins [R]	WV-03	36
Don Bacon [R]	NE-02	38	David Kustoff [R]	TN-08	38	Rob Woodall [R]	GA-07	38	Billy Long [R]	MO-07	36
Jim Banks [R]	IN-03	38	Darin LaHood [R]	IL-18	38	Kevin Yoder [R]	KS-03	38	Tom Marino [R]	PA-10	36
Andy Barr [R]	KY-06	38	Doug LaMalfa [R]	CA-01	38	Ted Yoho [R]	FL-03	38	Luke Messer [R]	IN-06	36
Joe Barton [R]	TX-06	38	Doug Lamborn [R]	CO-05	38	David Young [R]	IA-03	38	Kristi Noem [R]	SD	36
Gus Bilirakis [R]	FL-12	38	Robert Latta [R]	OH-05	38	Jodey Arrington [R]	TX-19	37	Tom Rice [R]	SC-07	36
Mike Bishop [R]	MI-08	38	Jason Lewis [R]	MN-02	38	Jack Bergman [R]	MI-01	37	John Carter [R]	TX-31	35
Rob Bishop [R]	UT-01	38	Mia Love [R]	UT-04	38	Marsha Blackburn [R]	TN-07	37	Kevin Cramer [R]	ND	35
Kevin Brady [R]	TX-08	38	Frank Lucas [R]	OK-03	38	Buddy Carter [R]	GA-01	37	Jeff Duncan [R]	SC-03	35
David Brat [R]	VA-07	38	Blaine Luetkemeyer [R]	MO-03	38	Chris Collins [R]	NY-27	37	Richard Hudson [R]	NC-08	35
Susan Brooks [R]	IN-05	38	Roger Marshall [R]	KS-01	38	Ron DeSantis [R]	FL-06	37	Kenny Marchant [R]	TX-24	35
Larry Bucshon [R]	IN-08	38	Kevin McCarthy [R]	CA-23	38	Scott DesJarlais [R]	TN-04	37	Pete Olson [R]	TX-22	35
Ted Budd [R]	NC-13	38	Michael McCaul [R]	TX-10	38	Matt Gaetz [R]	FL-01	37	Bill Posey [R]	FL-08	35
Bradley Byrne [R]	AL-01	38	Patrick McHenry [R]	NC-10	38	Paul Gosar [R]	AZ-04	37	Francis Rooney [R]	FL-19	35
Ken Calvert [R]	CA-42	38	Cathy McMorris Rodgers [R]	WA-05	38	Trey Gowdy [R]	SC-04	37	Jason Smith [R]	MO-08	35
Steve Chabot [R]	OH-01	38	Paul Mitchell [R]	MI-10	38	Kay Granger [R]	TX-12	37	Lou Barletta [R]	PA-11	34
Liz Cheney [R]	WY	38	John Moolenaar [R]	MI-04	38	Garret Graves [R]	LA-06	37	Harold Dallas Rogers [R]	KY-05	34
Mike Coffman [R]	CO-06	38	Alex Mooney [R]	WV-02	38	Sam Graves [R]	MO-06	37	Charles Dent [R, 2005-2018]	PA-15	34
Tom Cole [R]	OK-04	38	Devin Nunes [R]	CA-22	38	Morgan Griffith [R]	VA-09	37	Thomas Rooney [R]	FL-17	34
Doug Collins [R]	GA-09	38	Erik Paulsen [R]	MN-03	38	Glenn Grothman [R]	WI-06	37	John Rutherford [R]	FL-04	34
James Comer [R]	KY-01	38	Bruce Poliquin [R]	ME-02	38	Andy Harris [R]	MD-01	37	Bill Shuster [R]	PA-09	34
Barbara Comstock [R]	VA-10	38	Edward Randall Royce [R]	CA-39	38	Clay Higgins [R]	LA-03	37	Lamar Smith [R]	TX-21	34
Michael Conaway [R]	TX-11	38	Tom Reed II [R]	NY-23	38	Randy Hultgren [R]	IL-14	37	Steve Stivers [R]	OH-15	34
Eric Crawford [R]	AR-01	38	David Roe [R]	TN-01	38	Lynn Jenkins [R]	KS-02	37	Stevan Edward Pearce [R]	NM-02	33
John Culberson [R]	TX-07	38	Peter Roskam [R]	IL-06	38	Mike Johnson [R]	LA-04	37	Michael Keith Simpson [R]	ID-02	33
Warren Davidson [R]	OH-08	38	Keith Rothfus [R]	PA-12	38	Sam Johnson [R]	TX-03	37	Dave Trotter [R]	MI-11	33
Sean Duffy [R]	WI-07	38	David Rouzer [R]	NC-07	38	Barry Loudermilk [R]	GA-11	37	James Renacci [R]	OH-16	32
Neal Dunn [R]	FL-02	38	David Schweikert [R]	AZ-06	38	Tom MacArthur [R]	NJ-03	37	Ron Estes [R]	KS-04	31
Tom Emmer [R]	MN-06	38	Austin Scott [R]	GA-08	38	Martha McSally [R]	AZ-02	37	Blake Farenthold [R, 2011-2018]	TX-27	30
Drew Ferguson IV [R]	GA-03	38	Pete Sessions [R]	TX-32	38	Markwayne Mullin [R]	OK-02	37	Diane Black [R]	TN-06	29
Charles Fleischmann [R]	TN-03	38	John Shimkus [R]	IL-15	38	Dan Newhouse [R]	WA-04	37	Greg Gianforte [R]	MT	29
Virginia Foxx [R]	NC-05	38	Adrian Smith [R]	NE-03	38	Steven Palazzo [R]	MS-04	37	Karen Handel [R]	GA-06	29
Mike Gallagher [R]	WI-08	38	Lloyd Smucker [R]	PA-16	38	Gary Palmer [R]	AL-06	37	Ralph Norman Jr. [R]	SC-05	29
Bob Gibbs [R]	OH-07	38	Chris Stewart [R]	UT-02	38	Robert Pittenger [R]	NC-09	37	John Curtis [R]	UT-03	25
Bob Goodlatte [R]	VA-06	38	Claudia Tenney [R]	NY-22	38	John Ratcliffe [R]	TX-04	37	Steve Scalise [R]	LA-01	25
Tom Graves [R]	GA-14	38	Glenn Thompson [R]	PA-05	38	David Reichert [R]	WA-08	37	Jim Bridenstine [R, 2013-2018]	OK-01	22
Brett Guthrie [R]	KY-02	38	Mac Thornberry [R]	TX-13	38	Martha Roby [R]	AL-02	37	Patrick Joseph Tiberi [R, 2001-2018]	OH-12	19
Gregg Harper [R]	MS-03	38	Fred Upton [R]	MI-06	38	Todd Rokita [R]	IN-04	37	Trent Franks [R, 2013-2017]	AZ-08	14
Vicky Hartzler [R]	MO-04	38	Ann Wagner [R]	MO-02	38	Dennis Ross [R]	FL-15	37	Tim Murphy [R, 2003-2017]	PA-18	9
Jeb Hensarling [R]	TX-05	38	Tim Walberg [R]	MI-07	38	Scott Taylor [R]	VA-02	37	Jason Chaffetz [R, 2009-2017]	UT-03	8
Jaime Herrera Beutler [R]	WA-03	38	Greg Walden [R]	OR-02	38	Scott Tipton [R]	CO-03	37	Debbie Lesko [R]	AZ-08	5
Jody Hice [R]	GA-10	38	Jackie Walorski [R]	IN-02	38	Mark Walker [R]	NC-06	37	Michael Cloud [R]	TX-27	3
French Hill [R]	AR-02	38	Mimi Walters [R]	CA-45	38	Daniel Webster [R]	FL-11	37	Mick Mulvaney [R, 2011-2017]	SC-05	1
George Holding [R]	NC-02	38	Randy Weber [R]	TX-14	38	Mark Amodei [R]	NV-02	36	Paul Ryan [R]	WI-01	1
Duncan Hunter [R]	CA-50	38	Brad Wenstrup [R]	OH-02	38	Michael Burgess [R]	TX-26	36	Ryan Zinke [R, 2015-2017]	MT	1
Jim Jordan [R]	OH-04	38	Bruce Westerman [R]	AR-04	38	Bill Flores [R]	TX-17	36			



*Table 2. Representatives who opposed at least one bill but voted to advance more than 90 percent of the deregulatory bills included in this report with a recorded House floor vote.*

<b>Name</b>	<b>State- District</b>	<b>Yes Votes</b>	<b>Name</b>	<b>State- District</b>	<b>Yes Votes</b>
Rod Blum [R]	IA-01	37	Andy Biggs [R]	AZ-05	36
Mike Bost [R]	IL-12	37	Ken Buck [R]	CO-04	36
Paul Cook [R]	CA-08	37	Daniel Donovan Jr. [R]	NY-11	36
Rodney Davis [R]	IL-13	37	Brian Fitzpatrick [R]	PA-08	36
Jeff Denham [R]	CA-10	37	Jeff Fortenberry [R]	NE-01	36
Mario Diaz-Balart [R]	FL-25	37	Rodney Frelinghuysen [R]	NJ-11	36
Trey Hollingsworth [R]	IN-09	37	Christopher Henry Smith [R]	NJ-04	36
Darrell Issa [R]	CA-49	37	Leonard Lance [R]	NJ-07	36
Bill Johnson [R]	OH-06	37	David McKinley [R]	WV-01	36
David Joyce [R]	OH-14	37	Mark Meadows [R]	NC-11	36
Steve Knight [R]	CA-25	37	Elise Stefanik [R]	NY-21	36
Brian Mast [R]	FL-18	37	Peter Thomas King [R]	NY-02	36
Tom McClintock [R]	CA-04	37	Ryan Costello [R]	PA-06	35
Scott Perry [R]	PA-04	37	John Faso [R]	NY-19	35
Mike Rogers [R]	AL-03	37	Thomas Garrett [R]	VA-05	35
Steve Russell [R]	OK-05	37	Raul Labrador [R]	ID-01	35
Marshall Sanford [R]	SC-01	37	Ted Poe [R]	TX-02	35
James Sensenbrenner Jr. [R]	WI-05	37	Dana Rohrabacher [R]	CA-48	35
Michael Turner [R]	OH-10	37	Mo Brooks [R]	AL-05	34
David Valadao [R]	CA-21	37	Vern Buchanan [R]	FL-16	34
Don Young [R]	AK	37	Carlos Curbelo [R]	FL-26	34
Lee Zeldin [R]	NY-01	37			

*Table 3. Representatives who opposed at least one bill but voted to advance 75 to 90 percent of the deregulatory bills included in this report with a recorded House floor vote.*

<b>Name</b>	<b>State-District</b>	<b>Yes Votes</b>
Justin Amash [R]	MI-03	33
John Duncan Jr. [R]	TN-02	33
Thomas Massie [R]	KY-04	33
John Katko [R]	NY-24	32
Frank LoBiondo [R]	NJ-02	32
Patrick Meehan [R, 2011-2018]	PA-07	32
Ileana Ros-Lehtinen [R]	FL-27	32
Henry Cuellar [D]	TX-28	29
Collin Peterson [D]	MN-07	28

*Table 4. Representatives who opposed at least one bill but voted to advance 50 to 75 percent of the deregulatory bills included in this report with a recorded House floor vote.*

<b>Name</b>	<b>State-District</b>	<b>Yes Votes</b>
Josh Gottheimer [D]	NJ-05	26
Kyrsten Sinema [D]	AZ-09	26
Thomas Suozzi [D]	NY-03	26
Luis Correa [D]	CA-46	25
Stephanie Murphy [D]	FL-07	24
Bradley Schneider [D]	IL-10	22
David Scott [D]	GA-13	22
Jim Cooper [D]	TN-05	21
Jim Costa [D]	CA-16	21
Scott Peters [D]	CA-52	21
John Delaney [D]	MD-06	19
Tom O'Halleran [D]	AZ-01	19
Kurt Schrader [D]	OR-05	19

*Table 5. Members of the House Committee on Financial Services who voted in favor of all 36 bills included in this report that have not yet received a House floor vote.*

Name	State-District	Yes Votes
Andy Barr [R]	KY-06	36
Warren Davidson [R]	OH-08	36
Tom Emmer [R]	MN-06	36
Jeb Hensarling [R], Chairman	TX-05	36
French Hill [R]	AR-02	36
David Kustoff [R]	TN-08	36
Barry Loudermilk [R]	GA-11	36
Mia Love [R]	UT-04	36
Blaine Luetkemeyer [R]	MO-03	36
Tom MacArthur [R]	NJ-03	36
Alex Mooney [R]	TX-05	36
Stevan Pearce [R]	OH-15	36
Bruce Poliquin [R]	ME-02	36
Dennis Ross [R]	FL-15	36
Keith Rothfus [R]	PA-12	36
Claudia Tenney [R]	NM-02	36
Scott Tipton [R]	CO-03	36
Ann Wagner [R]	MO-02	36
Roger Williams [R]	TX-25	36

*Table 6. Members of the House Committee on Financial Services who voted for 50 to 99 percent of the 36 bills included in this report that have not yet received a House floor vote.*

Name	State-District	Yes Votes
Ted Budd [R]	NC-13	35
Bill Huizenga [R]	MI-02	35
Randy Hultgren [R]	IL-14	35
Frank Lucas [R]	OK-03	35
Robert Pittenger [R]	NC-09	35
Bill Posey [R]	FL-08	35
Lee Zeldin [R]	NY-01	35
Sean Duffy [R]	WI-07	34
Trey Hollingsworth [R]	IN-09	34
Dave Trott [R]	MI-11	34
Edward Royce [R]	CA-39	32
Peter King [R]	NY-02	30
Luke Messer [R]	IN-06	30
Steve Stivers [R]	OH-15	30
Patrick McHenry [R]	NC-10	29
Kyrsten Sinema [D]	AZ-09	18



*Table 7. Senators who did not cast a single vote against any of the 12 deregulatory bills or nominees included in this report with a recorded Senate floor vote.*

Name	State	Yes Votes	Name	State	Yes Votes
Lamar Alexander [R]	TN	12	Jerry Moran [R]	KS	12
John Barrasso [R]	WY	12	David Perdue [R]	GA	12
Roy Blunt [R]	MO	12	James Risch [R]	ID	12
John Boozman [R]	AR	12	Pat Roberts [R]	KS	12
Richard Burr [R]	NC	12	Mike Rounds [R]	SD	12
Shelley Capito [R]	WV	12	Marco Rubio [R]	FL	12
Bill Cassidy [R]	LA	12	Tim Scott [R]	SC	12
Bob Corker [R]	TN	12	Richard Shelby [R]	AL	12
John Cornyn [R]	TX	12	John Thune [R]	SD	12
Tom Cotton [R]	AR	12	Roger Wicker [R]	MS	12
Michael Crapo [R]	ID	12	Todd Young [R]	IN	12
Steve Daines [R]	MT	12	Jeff Flake [R]	AZ	11
Michael Enzi [R]	WY	12	Dean Heller [R]	NV	11
Joni Ernst [R]	IA	12	Robert Portman [R]	OH	11
Deb Fischer [R]	NE	12	Dan Sullivan [R]	AK	11
Cory Gardner [R]	CO	12	Thom Tillis [R]	NC	11
Charles Grassley [R]	IA	12	John Isakson [R]	GA	10
Orrin Hatch [R]	UT	12	Thad Cochran [R, 1979-2018]	MS	9
John Hoeven [R]	ND	12	John McCain [R]	AZ	8
James Inhofe [R]	OK	12	Luther Strange [R, 2017-2017]	AL	8
James Lankford [R]	OK	12	Vice President Mike Pence [R]	-	2
Mitch McConnell [R]	KY	12	Jeff Sessions [R, 1997-2017]	AL	1

*Table 8. Senators who opposed in at least one vote but voted to advance more than 50 percent of the deregulatory bills or nominees included in this report with a recorded Senate floor vote.*

Name	State	Yes Votes	Name	State	Yes Votes
Susan Collins [R]	ME	11	Rand Paul [R]	KY	11
Ted Cruz [R]	TX	11	Benjamin Sasse [R]	NE	11
Lindsey Graham [R]	SC	11	Patrick Toomey [R]	PA	11
Ron Johnson [R]	WI	11	Lisa Murkowski [R]	AK	10
John Kennedy [R]	LA	11	Joe Manchin III [D]	WV	9
Mike Lee [R]	UT	11	Heidi Heitkamp [D]	ND	7

*Americans for Financial Reform is a nonpartisan and nonprofit coalition of more than 200 civil rights, consumer, labor, business, investor, faith-based, and civic and community groups. Formed in the wake of the 2008 crisis, we are working to lay the policy foundation for a strong, stable, and ethical financial system—one that serves the economy and the country as a whole. Through policy analysis, education, and outreach to our members and others, AFR builds public will for its policy goals.*