

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 992) TO AMEND PROVISIONS IN SECTION 716 OF THE DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT RELATING TO FEDERAL ASSISTANCE FOR SWAPS ENTITIES, AND PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 2374) TO AMEND THE SECURITIES EXCHANGE ACT OF 1934 TO PROVIDE PROTECTIONS FOR RETAIL CUSTOMERS, AND FOR OTHER PURPOSES

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OCTOBER 28, 2013.—Referred to the House Calendar and ordered to be printed

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Mr. SESSIONS, from the Committee on Rules,  
submitted the following

## R E P O R T

[To accompany H. Res. 391]

The Committee on Rules, having had under consideration House Resolution 391, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

### SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 992, the Swaps Regulatory Improvement Act, under a closed rule. The resolution provides one hour of debate equally divided among and controlled by the chairs and ranking minority members of the Committee on Agriculture and the Committee on Financial Services. The resolution waives all points of order against consideration of the bill and provides that it shall be considered as read. The resolution waives all points of order against provisions in the bill. The resolution provides one motion to recommit.

Section 2 of the resolution provides for consideration of H.R. 2374, the Retail Investor Protection Act, under a structured rule. The resolution provides one hour of debate equally divided and controlled by the chair and ranking minority member of the Committee on Financial Services. The resolution waives all points of order against consideration of the bill. The resolution provides that an amendment in the nature of a substitute consisting of the text of Rules Committee Print 113-23 shall be considered as adopted, and the bill, as amended, shall be considered as read. The resolution waives all points of order against provisions in the bill, as

amended. The resolution makes in order only the further amendment printed in this report, if offered by Representative George Miller of California or his designee, which shall be considered as read, shall be separately debatable for 20 minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question. The resolution waives all points of order against the amendment printed in this report. The resolution provides one motion to recommit with or without instructions.

Section 3 of the resolution provides that a motion to proceed with regard to a joint resolution of disapproval specified in section 1002 of the Continuing Appropriations Act, 2014, may be offered even if the joint resolution has not been reported or discharged, shall be in order only on the legislative day of October 29, 2013 or the legislative day of October 30, 2013, and shall be debatable for one hour equally divided and controlled by the proponent and an opponent.

Section 4 of the resolution provides that on any legislative day during the period from October 31, 2013, through November 11, 2013: the Journal of the proceedings of the previous day shall be considered as approved; and the Chair may at any time declare the House adjourned to meet at a date and time to be announced by the Chair in declaring the adjournment.

Section 5 of the resolution provides that the Speaker may appoint Members to perform the duties of the Chair for the duration of the period addressed by section 4 of the resolution.

#### EXPLANATION OF WAIVERS

Although the resolution waives all points of order against consideration of H.R. 992, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

Although the resolution waives all points of order against provisions in H.R. 992, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

Although the resolution waives all points of order against consideration of H.R. 2374, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

Although the resolution waives all points of order against provisions in H.R. 2374, as amended, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

Although the resolution waives all points of order against the amendment to H.R. 2374 printed in this report, the Committee is not aware of any points of order. The waiver is prophylactic in nature.

#### COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

##### *Rules Committee record vote No. 88*

Motion by Ms. Slaughter to report open rules for H.R. 992 and H.R. 2374. Defeated: 4–8

Majority Members	Vote	Minority Members	Vote
Ms. Foxx .....	Nay	Ms. Slaughter .....	Yea
Mr. Bishop of Utah .....	Nay	Mr. McGovern .....	Yea
Mr. Cole .....	Nay	Mr. Hastings of Florida .....	Yea
Mr. Woodall .....	Nay	Mr. Polis .....	Yea
Mr. Nugent .....	Nay		
Mr. Webster .....	Nay		
Ms. Ros-Lehtinen .....	.....		
Mr. Burgess .....	Nay		
Mr. Sessions, Chairman .....	Nay		

SUMMARY OF THE AMENDMENT TO H.R. 2374 MADE IN ORDER

Miller, George (CA), Conyers (MI): Authorizes the Department of Labor to issue a fiduciary duty rule that protects access to investment education and advice and assures the availability of reasonable compensation to financial service providers. Requires a study of the effect of current investment industry practices on the standard of care provided to investors by persons providing investment advice, including the effect on low-income investors. (20 minutes)

TEXT OF AMENDMENT TO H.R. 2374 MADE IN ORDER

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MILLER OF CALIFORNIA OR HIS DESIGNEE, DEBATABLE FOR 20 MINUTES

Page 1, line 5, strike “After” and insert “(a) IN GENERAL.—Except as provided in subsection (b), after”.

Page 1, after line 14, insert the following:

(b) EXCEPTION.—

(1) IN GENERAL.—The Secretary of Labor may issue a rule that—

(A) establishes standards of care to improve investment advice provided to participants and beneficiaries under the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.);

(B) requires that personalized investment advice is provided in a fiduciary capacity that is in the best interests of such participants and beneficiaries;

(C) requires that, before receiving investment advice, the compensation of investment advisors and financial service providers is clearly disclosed to such participants and beneficiaries; and

(D) satisfies the requirements of paragraph (3).

(2) PROCESS.—The Secretary of Labor may issue a rule pursuant to paragraph (1)—

(A) after coordination and consultation with the Securities and Exchange Commission; and

(B) after considering surveys and data on investment education and investment advice.

(3) PARTICIPANT INVESTMENT EDUCATION; APPRAISALS.—The rule issued pursuant to paragraph (1) shall provide standards of conduct for—

(A) participant investment education;

(B) access to reliable investment education and investment advice to traditionally underserved communities;

(C) reasonable compensation for investment advisors and financial service providers; and

(D) fair market value appraisals of stock held by employee stock ownership plans to employers, participants, and beneficiaries under the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.).

At the end of the bill, insert the following:

**SEC. 4. REPORTS ON THE IMPACT OF PRACTICES OF PERSONS WHO PROVIDE INVESTMENT ADVICE.**

(a) **IN GENERAL.**—Not later than 90 days after the date of enactment of this Act, the Secretary of Labor shall report to Congress on how certain practices of persons who provide investment advice affect the standard of care exercised in relation to investors.

(b) **REPORT REQUIREMENTS.**—Such report shall—

(1) describe how the structure of compensation for persons who provide investment advice affects the standard of care exercised by such persons, including—

(A) practices involving fees paid from investment vehicles to such persons; and

(B) other forms of compensation paid to such persons that are not dependent upon the investor's return;

(2) compare the standards of care exercised by persons who provide investment advice to low-income and middle-class investors with the standards of care exercised by persons who provide investment advice to high-income investors, and the effect such standards of care have on the investment vehicles selected by investors; and

(3) evaluate the extent to which the standard of care used by persons who provide investment advice affects the adequacy of investment returns to provide for retirement for investors.