



NAST Webinar
Outlook for Financial Regulatory Reform
June 13, 2017

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Outlook for Financial Regulatory Reform

■ **Legislative efforts**

■ **Financial CHOICE Act** – passed the House 233-186

➤ Includes Dodd-Frank and other regulatory reforms

➤ Municipal-related provisions:

- GASB Funding (Section 857)
- Municipal Advisor Rule clarification (Section 846)
- SEC Organizational Reforms (Title VIII, Subtitle A), including Office of Municipal Securities (Section 808)
- MSRB Fine-sharing (Section 834)
- Cost-benefit Analysis requirements (Title III, Subtitle A), including for MSRB



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- **Legislative efforts**

- **Senate**

- Most legislation requires 60 votes in the Senate (there are 52 GOP Senators), therefore focus on issues with bipartisan support
 - Bipartisan support for community bank and credit union regulatory relief
 - Other areas of bipartisan agreement?

- **Other Legislative Issues:** Flood insurance reform; GSE reform; securities / capital formation / IPOs for small companies



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■ Regulation

- **Treasury Department reports, E.O. on Core Principles for Regulating the U.S. Financial System**
 - **First Report released June 12** –bank regulation focus
 - Recommendations include:
 - ✓ LCR – Include classifying high-grade municipal bonds as Level 2B liquid assets
 - ✓ Require enhanced use of Cost-benefit analysis
- **Regulatory Challenges: Personnel and Administrative Procedure Act (APA)**



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- **Summary:**
 - Legislation: Potential for issues with bipartisan support
 - Regulation: Potential for more reform from regulators, but personnel and process can impact timing and scope of reforms



Questions?



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