



Legislative Bulletin.....January 14, 2014

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H.R. 801 – Holding Company Registration Threshold Equalization Act of 2013 (Womack, R-AR)

Order of Business: H.R. 801 is scheduled to be considered on the floor on January 14, 2013, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote passage.

Summary: [H.R. 801](#) raises the thresholds under which a savings and loan holding company must register with the Securities and Exchange Commission (SEC). The result is that the threshold for registration is the same for saving and loan holding companies as for bank holding companies. Under this law, a savings and loan holding company that issues securities must register with the SEC if it has more than \$10 million in assets and it has a class of securities held by more than 2,000 people.

Additional Background: The different threshold requirements for bank holding companies and savings and loan companies were imposed by the Jumpstart Our Business Startup (JOBS) Act, which was signed into law on October 5, 2012.

Committee Action: The legislation was introduced on February 15, 2013, and referred to the House Committee on Financial Services. On May 7, 2013, the bill was favorably reported by [voice vote](#).

Administration Position: At time of press, no Statement of Administration Policy was available.

Cost to Taxpayers: According to the Congressional Budget Office [cost estimate](#) the net cost of implementing the bill “would be negligible.”

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment?: No.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: No.

Constitutional Authority: According to the sponsor, “Congress has the power to enact this legislation pursuant to the following: Article One, Section Eight of the United States Constitution.” Congressman Womack’s statement in the Congressional Record can be view [here](#).

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H.R. 2274 – Small Business Mergers, Acquisitions, Sales, and Brokerage Simplification Act (Huizenga, MI)

Order of Business: H.R. 2274 is scheduled to be considered on the floor on January 14, 2013, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote passage.

Summary: [H.R. 2274](#) exempts mergers and acquisitions brokers from registration with the Securities and Exchange Commission (SEC) provided the broker does not: (i) engage on behalf of an issuer in a public offering of any class of securities that is registered, or is required to be registered, with the SEC; or (ii) directly or indirectly, in connection with the transfer of ownership of an eligible privately held company, receive, hold, transmit, or have custody of the funds or securities to be exchanged by the parties to the transaction.

This act is applicable to companies with earnings over \$25 million and annual gross revenues less than \$250 million.

Additional Background: The SEC’s Forum on Small Business Capital Formation recommended streamlined regulation of Mergers and Acquisitions brokers, however the SEC has failed to act.

Committee Action: [H.R. 2274](#) was introduced on June 6, 2006, and referred to the House Committee on Financial Services. On November 11, 2013, the Committee favorably reported the bill by a [vote](#) of 57-0.

Administration Position: No Statement of Administration Policy is available.

Cost to Taxpayers: According to the Congressional Budget Office [cost estimate](#) “the net budgetary effect of implementing the bill would be negligible.”

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment?: No.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: No.

Constitutional Authority: According to the sponsor, Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clauses 1 (“The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defense and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States”), 3 (“To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes”), and 18 (“To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof).” Rep. Huizenga’s statement in the Congressional Record can be viewed [here](#).

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H.R. 2860 — OPM IG Act— (Farenthold, R-TX)

Order of Business: [H.R. 2860](#) is scheduled to be considered on January 14, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

Summary: This bill would allow the Office of Personnel Management’s (OPM) Office of the Inspector General (IG) to receive funding from the OPM Revolving Fund to be used for audits, investigations and oversight of the revolving fund’s finances and activities financed by the fund. It limits the amount requested by the IG to not more than .33 percent of revolving fund budget authority.

Additional Background: The OPM provides services to federal agencies on a reimbursable basis, including background investigations for individuals with access to classified information, leadership training, and human resource management. Once the services are provided the payment is deposited in the revolving fund which is used to pay for the delivery of other services as well as administrative expenses. It is estimated the revolving fund obligation for fiscal year 2014 will exceed \$2 billion. Under current law, OPM is required to set the price for revolving fund programs at a level that allows the agency to recover the actual cost of administering the program. In addition, current law prohibits the OPM IG's oversight costs as being a permissible expenditure from the fund. The lack of necessary funding to conduct thorough oversight of the fund was a concern broached by OPM IG Patrick McFarland.

The President's FY14 Budget included a request to allow the OPM IG up to .33 percent of the revolving fund.

To read the committee report from House Committee on Oversight and Government Reform, click [here](#).

Committee Action: H.R. 2860 was introduced by Representatives Blake Farenthold and Stephen Lynch on July 30, 2013. It was referred to the House Committee on Oversight and Government Reform where a mark-up was held on October 29, 2013. The bill was [reported](#) out by voice vote.

Administration Position: No statement of administration position is available at this time.

Cost to Taxpayers: According to [CBO](#), enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: H.R. 2860 would impose no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

Does the Bill Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment?: No.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: H.R. 2860 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of Rule XXI.

Constitutional Authority: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18 To make all Laws which

shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.” You can read the Constitutional authority statement, [here](#).

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H.R. 1233 - The Presidential and Federal Records Act Amendments of 2013 — (*Cummings, D-MD*)

Order of Business: [H.R.1233](#) is scheduled to be considered on January 14, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

Summary: This bill makes changes to the Presidential and Federal Records Keeping Act with the goal of modernizing federal recordkeeping procedures and requirements. Below is a summary of each section:

Section 2: Presidential Records

- It creates a clear appeals process by which former presidents can request that an incumbent president maintain the privileges status of records.
- A requirement is established for federal employees who create or send a Presidential record from a non-official electronic messaging account to forward a complete copy of the record to an official electronic messaging account within five days. In cases of intentional violation of this disclosure requirement, the section authorizes disciplinary action

Section 3: National Archives and Records Administration

- This allows the Archivist to accept for deposit within the National Archives records deemed to have historical preservation. It also authorizes the Archivist to accept early transfers of records with instructions on the disclosure of such records.
- Materials the Archivist may accept include: the papers and other historical materials of a President or former President, or other official of former official of the Government and other papers relating to a President or former President.
- Amends current law to modernize terminology addressing the audio and visual records that National Archives and Records Administration is likely to receive for deposit.

Section 4: Records Management by Federal Agencies

- Outlines the unlawful removal or destruction of records and expands the types of destruction that can be carried out to destroy federal records. According to the committee report, these changes are intended to list damage actions that are specific to electronic records.

Section 5: Disposal of Records

- Defines the term ‘records’ which includes all recorded information, regardless of form or characteristics made or received by a Federal agency under Federal law or in connection with the transitions of public business.
- This section makes changes to current law to take into account technological advancements in record keeping.

Section 6: Procedures to Prevent Unauthorized Removal of Classified Records from National Archives

- Directs the Archivist to prescribe internal procedures to prevent the unauthorized removal of classified records.

Section 7: Repeal of Provisions Related to the National Study Commission on Records and Documents of Federal Officials

- Repeals provisions of current law which governed the National Study Commission on Records and Documents which is now defunct, per the committee report.

Section 8: Pronoun Amendments

Section 9: Records Management by the Archivist

- Directs the Archivist to promulgate regulations regarding all Federal agencies transferring digital and electronic records.

Section 10: Disclosure Requirement for Official Business Conducted using Non-Official Electronic Messaging Account

- Requires federal employees who create or send a federal record from a non-official electronic messaging account to forward a complete copy of the record to an official electronic messaging account within five days.
- In the event there is an intentional violation, it shall be a basis for disciplinary action.

Additional Background: In many respects the Presidential Records Act has become outdated, particularly with regard to electronic information. This bill focuses on shifting the onus of federal recordkeeping from the media in which to the record is preserved to the actual record itself.

To read more about the history of recordkeeping, you can find the committee report, [here](#).

Committee Action: H.R. 1233, the Presidential and Federal Records Act Amendments of 2013, was introduced on March 18, 2013, and referred to the House Committee on Oversight and Government Reform. At a business meeting on March 20, 2013, the Committee considered H.R. 1233 and ordered the bill to be [reported](#) by voice vote.

Administration Position: No statement of administration position is available at this time.

Cost to Taxpayers: According to [CBO](#), implementing H.R. 1233 would have no significant cost over the next five years. The bill could affect direct spending by agencies not funded through annual appropriations; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any net increase in spending by those agencies would not be significant. Enacting H.R. 1233 would not affect revenues.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: H.R. 1233 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: H.R. 1233 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

Constitutional Authority: According to the sponsor, “Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18 of the Constitution of the United States grants the Congress the power to enact this law.”

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