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## OCTOBER 4 – OCTOBER 8: THIS WEEK

The House is not in session and will reconvene at 2 p.m. November 15, after the elections for a lame duck session. The Senate is holding a series of pro

forma sessions over the next month to prevent President Obama from making recess appointments.

## Banking/Financial Services

The new **Financial Stability Oversight Counsel** met for the first time on Friday, October 1. At the meeting, key banking regulators pledged to work collaboratively and quickly to write hundreds of new rules implementing the overhaul in the coming year. The regulators did not

immediately discuss details of the new rules but instead approved procedures for seeking public input on which companies outside of the banking sector should be designated systemically risky.

## Cuba

On Wednesday, September 29, **House Foreign Affairs Committee Chairman Howard Berman (D-Calif.)** indicated that he remains determined to mark up a bill this year that would lift the U.S. ban on travel to Cuba. The committee was slated to take up the bill on Wednesday, but Berman announced on Tuesday,

September 28, that the committee would be unable to hold a complete debate on the measure due to the House's full schedule. Committee Republicans are skeptical that the Cuba bill will be brought up during the lame duck session.

## Health Care

On Wednesday, September 29, the House passed **HR 3421, the Medical Debt Relief Act of 2010**. The bill would remove medical debt that has been reconciled from credit reports, so patients do not

have to wait years for their credit scores to rebound. The companion Senate bill (S 3419) has not yet been acted on.

## Insurance

The Financial Stability Oversight Council established in the **Dodd-Frank Wall Street Reform and Consumer Protection Act** held its first meeting on October 1. The Council approved each of the documents and resolutions put forward. These include: (1) the Council's Bylaws; (2) the Council's Transparency Policy; (3) an Advance Notice of Proposed Rulemaking on designating nonbank financial companies for heightened supervision; (4) a Notice and Request for Information regarding the Council's "Volcker Rule" study and recommendations; and (5) an Integrated Implementation Roadmap for both the Council and its independent member agencies. It has been reported that **Missouri Insurance Commissioner John Huff**, the state regulatory nonvoting member of the council selected by the NAIC, introduced himself

at the meeting as the body's only insurance regulator and said the new financial reform law was a clear directive for state and federal officials to work together on systemic risk.

President Obama signed **S. 3814, the National Flood Insurance Program Re-extension Act of 2010** into law on September 30. S. 3814, introduced by **Sen. David Vitter (R-La.)**, extends the National Flood Insurance Program until September 30, 2011.

Last week, the **Senate Banking Committee** held a hearing on the implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act. **Treasury Deputy Secretary Neal Wolin** testified that the Treasury Department is committed to finding a top

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## Insurance (cont'd.)

caliber person to fill the position of director of the **Federal Insurance Office (FIO)** and will move as fast as the civil service hiring process allows. Meanwhile, according to Deputy Secretary Wolin, existing staff has started the work of the FIO.

In a September 27 letter to **House Speaker Nancy Pelosi (D-Calif.)** and **Majority Leader Steny Hoyer (D-Md.)**, all 25 members of the Florida delegation (which includes 10 Democrats and 15 Republicans) ask the Chamber to take action at the earliest possible

date on **HR 2555**, the **Homeowners' Defense Act. HR 2555**, sponsored by **Representative Ron Klein (D-Fla.)**, establishes the **National Catastrophe Risk Consortium**, directs the Secretary of the Treasury to make contracts for reinsurance coverage available for purchase by eligible state programs and establishes a **Federal Natural Catastrophe Reinsurance Fund** in the Treasury. **HR 2555** passed out of the **House Financial Services Committee** in April and was expected to move to the House floor before the August recess.

## Labor, Pensions and Retirements

**Sen. John Kerry (D-Mass.)**, tried unsuccessfully to convince Republicans to support a one-year, \$2.5 billion continuation of the **Temporary Assistance for Needy Families (TANF)** emergency fund, passed as part of the stimulus law (PL 111-5) that enabled 37

states to place 130,000 adults with private employers, and 120,000 youth in summer jobs programs. The funding expired on Thursday, September 30, Democrats said they would try to raise the issue when they return in mid-November.

## Trade

On Wednesday, September 29, the Senate ratified two defense trade treaties, with the United Kingdom and Australia. The treaties would allow the U.S. and the partner countries to buy, sell or otherwise transfer, without arms exports licenses, defense items that relate to joint operations and programs. It would eliminate the requirement for companies to obtain licenses on most weapons trade deals as long as the companies have been accepted as members of a "trusted community" established by the treaties. For the treaties to take full effect, however, the Senate also needed to approve resolutions of ratification, which allow lawmakers to make changes to the agreements without formally opening the treaty documents.

The House on Wednesday, September 29, passed, with strong bipartisan support, **HR 2378**, the

**Currency Reform for Fair Trade Act.** The bill, which is consistent with **World Trade Organization (WTO)** rules, clarifies that existing countervailing duties can be imposed to offset the effects of an undervalued currency. Countervailing duties would be available to any U.S. industry that could demonstrate that it has been "materially injured" by imports from the country with the undervalued currency. In essence, it would make it more likely that the U.S. would impose countervailing duties against Chinese goods on behalf of U.S. businesses. The department would retain the power to make the final decision on whether to impose countervailing duties. The Senate is not expected to act on the issue until after the November elections.

## Transportation and Infrastructure

On Tuesday, September 28, the House passed by voice vote **HR 4714**, the **National Transportation Safety Board Reauthorization Act of 2010**. The bill would reauthorize the **National Transportation Safety Board (NTSB)** and grant the agency more investigative powers. The bill would authorize \$469 million for the

NTSB from fiscal 2011 through 2014. It would call for increases every year, including \$108 million for fiscal 2011. The measure also would authorize an additional 66 personnel for NTSB in fiscal 2011, for a total of 436 employees. In addition, the bill would authorize 477 employees by 2014.