

## HR 1088

Investor and Capital Markets Fee Relief Act

**Congress:** 107 (2001–2003, Ended)

**Chamber:** House

**Policy Area:** Finance and Financial Sector

**Introduced:** Mar 19, 2001

**Current Status:** Became Public Law No: 107-123.

**Latest Action:** Became Public Law No: 107-123. (Jan 16, 2002)

**Law:** 107-123 (Enacted Jan 16, 2002)

**Official Text:** <https://www.congress.gov/bill/107th-congress/house-bill/1088>

### Sponsor

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**Name:** Rep. Fossella, Vito [R-NY-13]

**Party:** Republican • **State:** NY • **Chamber:** House

## Cosponsors (45 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Ackerman, Gary L. [D-NY-5]	D · NY		Mar 19, 2001
Rep. Bachus, Spencer [R-AL-6]	R · AL		Mar 19, 2001
Rep. Baker, Richard H. [R-LA-6]	R · LA		Mar 19, 2001
Rep. Bentsen, Ken [D-TX-25]	D · TX		Mar 19, 2001
Rep. Blagojevich, Rod R. [D-IL-5]	D · IL		Mar 19, 2001
Rep. Crowley, Joseph [D-NY-7]	D · NY		Mar 19, 2001
Rep. Engel, Eliot L. [D-NY-17]	D · NY		Mar 19, 2001
Rep. Foley, Mark [R-FL-16]	R · FL		Mar 19, 2001
Rep. Ford, Harold E., Jr. [D-TN-9]	D · TN		Mar 19, 2001
Rep. Gillmor, Paul E. [R-OH-5]	R · OH		Mar 19, 2001
Rep. Grucci, Felix J., Jr. [R-NY-1]	R · NY		Mar 19, 2001
Rep. Hart, Melissa A. [R-PA-4]	R · PA		Mar 19, 2001
Rep. Israel, Steve [D-NY-2]	D · NY		Mar 19, 2001
Rep. Jones, Walter B., Jr. [R-NC-3]	R · NC		Mar 19, 2001
Rep. Kelly, Sue W. [R-NY-19]	R · NY		Mar 19, 2001
Rep. King, Peter T. [R-NY-3]	R · NY		Mar 19, 2001
Rep. Maloney, Carolyn B. [D-NY-14]	D · NY		Mar 19, 2001
Rep. Manzullo, Donald A. [R-IL-16]	R · IL		Mar 19, 2001
Rep. Menendez, Robert [D-NJ-13]	D · NJ		Mar 19, 2001
Rep. Miller, Gary G. [R-CA-41]	R · CA		Mar 19, 2001
Rep. Moore, Dennis [D-KS-3]	D · KS		Mar 19, 2001
Rep. Ney, Robert W. [R-OH-18]	R · OH		Mar 19, 2001
Rep. Ose, Doug [R-CA-3]	R · CA		Mar 19, 2001
Rep. Oxley, Michael G. [R-OH-4]	R · OH		Mar 19, 2001
Rep. Reynolds, Thomas M. [R-NY-27]	R · NY		Mar 19, 2001
Rep. Rogers, Mike J. [R-MI-8]	R · MI		Mar 19, 2001
Rep. Ross, Mike [D-AR-4]	D · AR		Mar 19, 2001
Rep. Roukema, Marge [R-NJ-5]	R · NJ		Mar 19, 2001
Rep. Royce, Edward R. [R-CA-39]	R · CA		Mar 19, 2001
Rep. Shadegg, John B. [R-AZ-4]	R · AZ		Mar 19, 2001
Rep. Shays, Christopher [R-CT-4]	R · CT		Mar 19, 2001
Rep. Sweeney, John E. [R-NY-22]	R · NY		Mar 19, 2001
Rep. Toomey, Patrick J. [R-PA-15]	R · PA		Mar 19, 2001
Rep. Velazquez, Nydia M. [D-NY-12]	D · NY		Mar 19, 2001
Rep. Weldon, Dave [R-FL-15]	R · FL		Mar 19, 2001
Rep. Ferguson, Mike [R-NJ-7]	R · NJ		Mar 21, 2001
Rep. Gonzalez, Charles A. [D-TX-20]	D · TX		Mar 21, 2001
Rep. Green, Mark [R-WI-8]	R · WI		Mar 21, 2001
Rep. Maloney, James H. [D-CT-5]	D · CT		Mar 21, 2001
Rep. Ryun, Jim [R-KS-2]	R · KS		Mar 21, 2001
Rep. Sherman, Brad [D-CA-24]	D · CA		Mar 21, 2001

Cosponsor	Party / State	Role	Date Joined
Rep. Frelinghuysen, Rodney P. [R-NJ-11]	R · NJ		Mar 29, 2001
Rep. Matsui, Robert T. [D-CA-5]	D · CA		Mar 29, 2001
Rep. LaTourette, Steven C. [R-OH-19]	R · OH		Apr 3, 2001
Rep. Otter, C. L. (Butch) [R-ID-1]	R · ID		Apr 26, 2001

### Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Reported by	Mar 21, 2001
Oversight and Government Reform Committee	House	Discharged From	May 26, 2001

### Subjects & Policy Tags

#### Policy Area:

Finance and Financial Sector

### Related Bills

Bill	Relationship	Last Action
107 HRES 161	Procedurally related	<b>Jun 14, 2001:</b> Motion to reconsider laid on the table Agreed to without objection.
107 S 143	Related bill	<b>May 25, 2001:</b> Held at the desk.

Investor and Capital Markets Fee Relief Act - Amends the Securities Exchange Act of 1934 to reduce mandatory transaction fees (by changing from a percentage to a flat dollar amount) with respect to: (1) exchange-traded securities transactions (including off-exchange trades of exchange-registered and last-sale-reported securities) from 1/300th of one percent to \$15 per million of the dollar amount of securities transacted; and (2) stock repurchase statements and proxy solicitations and statements in corporate control transactions from 1/50th of one percent to \$125 per million of the value of the transaction. Reduces assessments for security futures transactions from \$0.02 to \$0.009 per round turn transaction (for 2007 and after, from \$0.0075 to \$0.0042 per round turn transaction).

Excludes from the calculation of fees the sales of options on securities indexes that are not narrow-based.

(Sec. 3) Replaces the fee structure for off-exchange trades of last-sale-reported securities with a fee structure for off-exchange trades of exchange-registered and last-sale-reported securities. Requires the Securities and Exchange Commission (SEC) to adjust each fee rate each fiscal year (including a mid-year adjustment) from FY 2003 through 2011 to a uniform adjusted rate that, when applied to the baseline estimate of the aggregate dollar amount of sales for the fiscal year, is reasonably likely to produce aggregate fee and assessment collections equal to the specified target offsetting collection amount for such fiscal year.

Provides that the fees so collected shall: (1) be deposited and credited as offsetting collections to the account providing appropriations to the SEC; and (2) not be deposited and credited as general revenue of the Treasury.

(Sec. 4) Amends the Securities Act of 1933 to: (1) reduce registration fees from \$239 per million to \$92 per million of the maximum offering price at which securities are proposed to be offered; and (2) reflect the provisions of this Act.

(Sec. 5) Revises fees for stock repurchase statements, proxy solicitations, and statements in corporate control transactions to equal \$92 per million (adjusted annually) of the value of securities proposed to be purchased. Requires that fees collected for any fiscal year be deposited and credited as offsetting collections in the account providing appropriations to the SEC. Prohibits their deposit and crediting as general revenue of the Treasury. Prohibits the collection of such fees for FY 2002 and subsequent fiscal years except to the extent provided in advance in appropriations Acts.

(Sec. 7) Amends the Trust Indenture Act of 1939 to terminate the mandatory \$100 application filing fee.

(Sec. 8). Amends Federal law governing human resources procedures for Federal employees to: (1) establish an Agency Personnel Demonstration Project applicable to the SEC; and (2) authorize the SEC to provide additional compensation and benefits following guidelines under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

(Sec. 9) Instructs the SEC Office of Economic Analysis to study and report to Congress on the extent to which investors receive the benefits of fee reductions effected under this Act. Prescribes factors for consideration.

(Sec. 10) Mandates a GAO study of the impact, implications, and consequences of converting the SEC to a self-funded basis. Defines self-funded basis to mean an agency is authorized to: (1) deposit the receipts of its collections in the Treasury, or in a depository institution, subject to certain treatment; and (2) employ, fix, and pay compensation of its personnel without regard to other laws applicable to other Federal staff. Requires that such collections receipts in the Treasury not be treated as Government funds or appropriated monies, but be available for SEC staff and expenses without annual appropriation or apportionment.

## Actions Timeline

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- **Jan 16, 2002:** Signed by President.
- **Jan 16, 2002:** Signed by President.
- **Jan 16, 2002:** Became Public Law No: 107-123.
- **Jan 16, 2002:** Became Public Law No: 107-123.
- **Jan 4, 2002:** Presented to President.
- **Jan 4, 2002:** Presented to President.
- **Dec 20, 2001:** Passed/agreed to in Senate: Passed Senate without amendment by Unanimous Consent.(consideration: CR S13830)
- **Dec 20, 2001:** Passed Senate without amendment by Unanimous Consent. (consideration: CR S13830)
- **Dec 20, 2001:** Message on Senate action sent to the House.
- **Jun 14, 2001:** Rule H. Res. 161 passed House.
- **Jun 14, 2001:** Considered under the provisions of rule H. Res. 161. (consideration: CR H3159-3182)
- **Jun 14, 2001:** Rule provides for consideration of H.R. 1088 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. In lieu of the amendment recommended by the Committee on Financial Services now printed in the bill, the amendment in the nature of a substitute printed in the Congressional Record and numbered 1 shall be considered as adopted. Measure will be considered read. A specified amendment is in order.
- **Jun 14, 2001:** DEBATE - The House proceeded with one hour of debate on H.R. 1088.
- **Jun 14, 2001:** DEBATE - Pursuant to the provisions of H. Res. 161, the House proceeded with one hour of debate on the LaFalce amendment in the nature of a substitute.
- **Jun 14, 2001:** The previous question was ordered pursuant to the rule.
- **Jun 14, 2001:** Passed/agreed to in House: On passage Passed by recorded vote: 404 - 22 (Roll no. 165).(text as passed House: CR H33159-3164)
- **Jun 14, 2001:** Motion to reconsider laid on the table Agreed to without objection.
- **Jun 14, 2001:** On passage Passed by recorded vote: 404 - 22 (Roll no. 165). (text as passed House: CR H33159-3164)
- **Jun 14, 2001:** Received in the Senate. Read twice. Placed on Senate Legislative Calendar under General Orders. Calendar No. 74.
- **Jun 12, 2001:** Rules Committee Resolution H. Res. 161 Reported to House. Rule provides for consideration of H.R. 1088 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. In lieu of the amendment recommended by the Committee on Financial Services now printed in the bill, the amendment in the nature of a substitute printed in the Congressional Record and numbered 1 shall be considered as adopted. Measure will be considered read. A specified amendment is in order.
- **May 25, 2001:** Committee on Government Reform discharged.
- **May 25, 2001:** Committee on Government Reform discharged.
- **May 25, 2001:** Placed on the Union Calendar, Calendar No. 42.
- **May 18, 2001:** House Committee on Government Reform Granted an extension for further consideration ending not later than May 25, 2001.
- **May 10, 2001:** House Committee on Government Reform Granted an extension for further consideration ending not later than May 18, 2001.
- **May 9, 2001:** House Committee on Government Reform Granted an extension for further consideration ending not later than May 10, 2001.
- **May 8, 2001:** House Committee on Government Reform Granted an extension for further consideration ending not later than May 9, 2001.
- **May 2, 2001:** House Committee on Government Reform Granted an extension for further consideration ending not later than May 8, 2001.
- **May 1, 2001:** Reported (Amended) by the Committee on Financial Services. H. Rept. 107-52, Part I.
- **May 1, 2001:** Reported (Amended) by the Committee on Financial Services. H. Rept. 107-52, Part I.
- **May 1, 2001:** Referred sequentially to the House Committee on Government Reform for a period ending not later than May 2, 2001 for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(h), rule X.
- **Apr 3, 2001:** Mr. Oxley asked unanimous consent that the Committee on Financial Services have until midnight on April

17 to file a report on H.R. 1088. Agreed to without objection.

- **Mar 28, 2001:** Committee Consideration and Mark-up Session Held.
- **Mar 28, 2001:** Ordered to be Reported (Amended) by Voice Vote.
- **Mar 21, 2001:** Subcommittee Consideration and Mark-up Session Held.
- **Mar 21, 2001:** Forwarded by Subcommittee to Full Committee by Voice Vote.
- **Mar 20, 2001:** Referred to the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises.
- **Mar 19, 2001:** Introduced in House
- **Mar 19, 2001:** Introduced in House
- **Mar 19, 2001:** Referred to the House Committee on Financial Services.