

HR 2549

Municipal Bond Fairness Act

Congress: 111 (2009–2011, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: May 21, 2009

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (May 21, 2009)

Official Text: <https://www.congress.gov/bill/111th-congress/house-bill/2549>

Sponsor

Name: Rep. Capuano, Michael E. [D-MA-8]

Party: Democratic • State: MA • Chamber: House

Cosponsors (8 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Andrews, Robert E. [D-NJ-1]	D · NJ		May 21, 2009
Rep. Baca, Joe [D-CA-43]	D · CA		May 21, 2009
Rep. Cleaver, Emanuel [D-MO-5]	D · MO		May 21, 2009
Rep. Connolly, Gerald E. [D-VA-11]	D · VA		May 21, 2009
Rep. Frank, Barney [D-MA-4]	D · MA		May 21, 2009
Rep. Kanjorski, Paul E. [D-PA-11]	D · PA		May 21, 2009
Rep. Maffei, Daniel B. [D-NY-25]	D · NY		May 21, 2009
Rep. Moran, James P. [D-VA-8]	D · VA		May 21, 2009

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	May 21, 2009

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

No related bills are listed.

Municipal Bond Fairness Act - Amends the Securities Exchange Act of 1934 to direct the Securities and Exchange Commission (SEC) to require each registered nationally recognized statistical rating organization (NSRO) (credit rating agency) to establish, maintain, and enforce written policies and procedures reasonably designed to: (1) establish and maintain credit ratings with respect to securities and money market instruments designed to assess the risk that investors in such instruments may not receive payment in accordance with their terms of issuance; and (2) define clearly any rating symbol and apply it consistently.

Permits an NSRO to use or consider the following when assessing the risk that an investor in a security or money market instrument will not receive repayment in accordance with the terms of issuance: (1) additional credit factors that it has documented and disclosed; (2) credit factors that are unique to municipal securities that are not backed by the issuer's full faith and credit; or (3) an additional credit rating symbol to distinguish ratings of a certain type of security or money market instrument from ratings of any other types.

Prohibits the SEC from imposing any requirement that prevents an NSRO from establishing ratings that are complementary to such mandatory ratings and that are created to measure a discrete aspect of risk.

Directs the SEC to establish performance measures to consider when deciding whether to initiate a review concerning whether an NSRO has failed to adhere to its procedures and methodologies for issuing ratings.

Actions Timeline

- **May 21, 2009:** Introduced in House
- **May 21, 2009:** Referred to the House Committee on Financial Services.