

S 664

Financial System Stabilization and Reform Act of 2009

Congress: 111 (2009–2011, Ended)

Chamber: Senate

Policy Area: Finance and Financial Sector

Introduced: Mar 23, 2009

Current Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Latest Action: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs. (Mar 23, 2009)

Official Text: <https://www.congress.gov/bill/111th-congress/senate-bill/664>

Sponsor

Name: Sen. Collins, Susan M. [R-ME]

Party: Republican • **State:** ME • **Chamber:** Senate

Cosponsors (2 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Nelson, Ben [D-NE]	D · NE		Jul 20, 2009
Sen. Bond, Christopher S. [R-MO]	R · MO		Sep 30, 2009

Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Mar 23, 2009

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
111 HR 1754	Identical bill	Apr 28, 2009: Referred to the Subcommittee on General Farm Commodities and Risk Management.

Financial System Stabilization and Reform Act of 2009 - Establishes an independent Financial Stability Council to: (1) review, and approve or prohibit issuance of, or require modification of, any rule or regulation issued by any federal financial regulator; (2) require each federal financial regulator to issue or revise its rules and regulations in conformance with the Council's determination; (3) review new financial products and services and recommend regulations for them to the appropriate federal financial regulator; and (4) direct each federal financial regulator to impose appropriate solvency requirements, including capital requirements and long-term debt ratios on any financial institution within its jurisdiction, as the Council deems necessary to prevent systemic risk to the financial system of the United States.

Subjects violations of this Act to civil penalties.

Grants Council actions precedence in any conflict with any regulatory action of a federal financial regulator.

Amends the Commodity Exchange Act to subject each credit-default swap trading clearinghouse to regulation by the Commodity Futures Trading Commission (CFTC). Sets forth capitalization, reporting, and recordkeeping for positions involving credit-default swaps.

Requires the Board of Governors of the Federal Reserve System (Board) to promulgate rules: (1) for the examination of the safety and soundness of, and the extent of systemic risk to the financial system of the United States posed by, any investment bank holding company organized in or doing business in the United States; and (2) for reasonable reporting of information by each investment bank holding company, to the extent necessary to implement this Act.

Directs the Securities and Exchange Commission (SEC) to issue final rules that: (1) designate clearinghouses for credit-default swaps; and (2) prohibit fraudulent, deceptive, or manipulative acts or practices in connection with such swaps.

Requires such rules to require that clearinghouses: (1) are capitalized by participants to a level adequate to guarantee payments; and (2) are authorized to assess members for a default fund.

Requires any person that engages in a credit-default swap transaction to utilize an SEC-designated clearinghouse for such purpose.

Abolishes the Office of Thrift Supervision and transfers its authorities, functions, personnel, and property to the Comptroller of the Currency.

Prohibits the Secretary of the Treasury from delaying or preventing the issuance or promulgation of any rule or regulation by the Comptroller.

Actions Timeline

- **Mar 23, 2009:** Introduced in Senate
- **Mar 23, 2009:** Sponsor introductory remarks on measure. (CR S3611-3613)
- **Mar 23, 2009:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.