

## S 474

### Swaps Regulatory Improvement Act

**Congress:** 113 (2013–2015, Ended)

**Chamber:** Senate

**Policy Area:** Finance and Financial Sector

**Introduced:** Mar 6, 2013

**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 6, 2013)

**Official Text:** <https://www.congress.gov/bill/113th-congress/senate-bill/474>

## Sponsor

**Name:** Sen. Hagan, Kay R. [D-NC]

**Party:** Democratic • **State:** NC • **Chamber:** Senate

## Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Johanns, Mike [R-NE]	R · NE		Mar 6, 2013
Sen. Toomey, Patrick [R-PA]	R · PA		Mar 6, 2013
Sen. Warner, Mark R. [D-VA]	D · VA		Mar 6, 2013

## Committee Activity

Committee	Chamber	Activity	Date
Banking, Housing, and Urban Affairs Committee	Senate	Referred To	Mar 6, 2013

## Subjects & Policy Tags

### Policy Area:

Finance and Financial Sector

## Related Bills

Bill	Relationship	Last Action
113 HR 5016	Related bill	Jul 17, 2014: Received in the Senate and Read twice and referred to the Committee on Appropriations.
113 HR 992	Identical bill	Oct 31, 2013: Received in the Senate and Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

Swaps Regulatory Improvement Act - Amends the Dodd-Frank Wall Street Reform and Consumer Protection Act with respect to the prohibition against certain federal assistance to swaps entities, namely the use of any advances from specified Federal Reserve credit facilities or discount windows, or Federal Deposit Insurance Corporation (FDIC) insurance or guarantees, for the purpose of: (1) making any loan to, or purchasing any stock, equity interest, or debt obligation of, any swaps entity; (2) purchasing the assets of any swaps entity; (3) guaranteeing any loan or debt issuance of any swaps entity; or (4) entering into any assistance arrangement (including tax breaks), loss sharing, or profit sharing with any swaps entity.

Extends to any major swap participant or major security-based swap participant that is an uninsured U.S. branch or agency of a foreign bank the exemption from the prohibition against federal assistance to swaps entities which is currently limited to any major swap participant or major security-based swap participant that is an FDIC-insured bank or savings association.

Designates both uninsured U.S. branches or agencies of a foreign bank and insured depository institutions as "covered depository institutions."

Requires any covered depository institution exempted from the prohibition to limit its swap and security-based swap activities to hedging and similar risk mitigating activities (as under current law), non-structured finance swap activities, or certain structured finance swap activities. (Defines "structured finance swap" as a swap or security-based swap based on an asset-backed security [or group or index primarily composed of asset-backed securities].)

Qualifies a structured finance swap activity for the exemption if: (1) it is undertaken for hedging or risk management purposes, or (2) each asset-backed security underlying the structured finance swap is of a credit quality and of a type or category with respect to which the prudential regulators have jointly adopted rules authorizing such a swap or security-based swap activity by covered depository institutions.

Repeals the exemption from the prohibition for any insured depository institution that limits its swap and security-based swap activities to acting as a swaps entity for: (1) swaps or security-based swaps involving rates or reference assets that are permissible for investment by a national bank; or (2) credit default swaps, including those referencing the credit risk of asset-backed securities unless they are cleared by a derivatives clearing organization or a clearing agency registered, or exempt from registration, under the Commodity Exchange Act or the Securities Exchange Act.

## **Actions Timeline**

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- **Mar 6, 2013:** Introduced in Senate
- **Mar 6, 2013:** Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.