Mr. Speaker I yield back the balance of my time.

Mr. HUDSON. Mr. Speaker, this is an important bipartisan bill that I believe will make a real difference for the future of aviation security.

I want to thank all those on both sides of the aisle and on both sides of the Hill who played a key role in moving this bill.

I would also like to thank the staff, not just for their work on this bill, but also the other transportation security bills that we sent to the President this Congress: Brian Turbyfill, Cedric Haynes, Jake Vreeburg, Kyle Klein, Nicole Halavik, Matt Haskins, Gerry Sleefe and Amanda Parikh.

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I thank all of you for your service to our country and for your hard work.

I urge my colleagues to vote ''yes'' and to send this bill to the President for his signature.

Mr. Speaker, I yield back the balance of my time.

Mr. RICHMOND. Mr. Speaker, I rise in strong support of the Senate amendment to H.R. 1204.

Soliciting input from impacted stakeholders is critical to developing effective policies.

H.R. 1204, introduced by Ranking Member Thompson, codifies that sentiment by making permanent the Aviation Security Advisory Committee.

The Aviation Security Advisory Committee is a valuable asset to our nation's aviation security because it helps ensure that the policies that TSA develops are responsive to the security challenges and can be effectively integrated.

As the Ranking Member on the Subcommittee on Transportation Security, I have seen firsthand just how critical it is for TSA to solicit and heed stakeholder recommendations.

I congratulate Ranking Member Thompson for his stewardship of this legislation and look forward to the House concurring in the Senate amendment so that this legislation can become law.

I would like to take this opportunity to again thank Administrator Pistole for his service.

For over four years, Administrator Pistole led the Transportation Security Administration honorably and effectively.

Thanks to his leadership, TSA is a more efficient, risk-based, agency.

Administrator Pistole is expected to step down from his post at the end of the year. He will be missed.

With that Mr. Speaker, I urge support for the Senate amendment to H.R. 1204.

Mr. MCCAUL. Mr. Speaker, I support H.R. 1204, the Aviation Security Stakeholder Participation Act, sponsored by the gentleman from Mississippi, the Ranking Member of the Committee on Homeland Security, Mr. THOMPSON.

This legislation, as amended by the Senate, will ensure that TSA is maintaining open lines of communication with relevant stakeholder groups through the Aviation Security Advisory Committee (ASAC). H.R. 1204 codifies the existing ASAC and prohibits TSA from allowing the Committee's charter to lapse, as has happened in the past. It also ensures a diverse group of stakeholders have a seat at the table, requires TSA to provide feedback on the Committee's recommendations, and makes it possible for the Committee to discuss sensitive security information, as appropriate.

The ASAC and all of its members have a vested interest in the security of our nation's critical aviation systems and can help TSA make well-informed, effective policy decisions. The type of collaborative effort that the ASAC fosters is vitally important to our nation's aviation security, and I thank the Ranking Member for developing H.R. 1204 and for his leadership on this issue. I also thank the Chairman of the Subcommittee on Transportation Security, Mr. HUDSON, and the Ranking Member of the Subcommittee, Mr. RICHMOND, for their commitment to improving TSA. Finally, I wish to thank our colleagues in the Senate for their work on this bill, including Senators TESTER, ROCKEFELLER, THUNE, and AYOTTE.

I urge my colleagues to support the Senate amendment to H.R. 1204 and send this bill to the President for his signature.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. HUDSON) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 1204.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. HUDSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2014

Mr. HENSARLING. Mr. Speaker, pursuant to House Resolution 775, I call up the bill (S. 2244) to extend the termination date of the Terrorism Insurance Program established under the Terrorism Risk Insurance Act of 2002, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 775, the amendment in the nature of a substitute printed in House Report 113–654 is adopted, and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

S. 2244

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Terrorism Risk Insurance Program Reauthorization Act of 2014''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.

TITLE I—EXTENSION OF TERRORISM INSURANCE PROGRAM

Sec. 101. Extension of Terrorism Insurance Program.
Sec. 102. Federal share.
Sec. 103. Program trigger.
Sec. 104. Recoupment of Federal share of compensation under the program.
Sec. 105. Certification of acts of terrorism; consultation with Secretary of Homeland Security.
Sec. 106. Technical amendments.
Sec. 107. Improving the certification process.
Sec. 108. GAO study.
Sec. 109. Membership of Board of Governors of the Federal Reserve System.
Sec. 110. Advisory Committee on Risk-Sharing Mechanisms.
Sec. 111. Reporting of terrorism insurance data.
Sec. 112. Annual study of small insurer market competitiveness.

TITLE II—NATIONAL ASSOCIATION OF REGISTERED AGENTS AND BROKERS REFORM

Sec. 201. Short title.
Sec. 202. Reestablishment of the National Association of Registered Agents and Brokers.

TITLE III—BUSINESS RISK MITIGATION AND PRICE STABILIZATION

Sec. 301. Short title.
Sec. 302. Margin requirements.
Sec. 303. Implementation.

TITLE I—EXTENSION OF TERRORISM INSURANCE PROGRAM

SEC. 101. EXTENSION OF TERRORISM INSURANCE PROGRAM.

Section 108(a) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note) is amended by striking ''December 31, 2014'' and inserting ''December 31, 2020''.

SEC. 102. FEDERAL SHARE.

Section 103(e)(1)(A) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note) is amended by inserting ''and beginning on January 1, 2016, shall decrease by 1 percentage point per calendar year until equal to 80 percent'' after ''85 percent''.

SEC. 103. PROGRAM TRIGGER.

Subparagraph (B) of section 103(e)(1) (15 U.S.C. 6701 note) is amended in the matter preceding clause (i)—

(1) by striking ''a certified act'' and inserting ''certified acts'';

(2) by striking ''such certified act'' and inserting ''such certified acts''; and

(3) by striking ''exceed'' and all that follows through clause (ii) and inserting the following: ''exceed—

''(i) $100,000,000, with respect to such insured losses occurring in calendar year 2015;

''(ii) $120,000,000, with respect to such insured losses occurring in calendar year 2016;

''(iii) $140,000,000, with respect to such insured losses occurring in calendar year 2017;

''(iv) $160,000,000, with respect to such insured losses occurring in calendar year 2018;

''(v) $180,000,000, with respect to such insured losses occurring in calendar year 2019; and

''(vi) $200,000,000, with respect to such insured losses occurring in calendar year 2020 and any calendar year thereafter.''.

SEC. 104. RECOUPMENT OF FEDERAL SHARE OF COMPENSATION UNDER THE PROGRAM.

Section 103(e) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note) is amended—

(1) by amending paragraph (6) to read as follows:

''(6) INSURANCE MARKETPLACE AGGREGATE RETENTION AMOUNT.—

''(A) IN GENERAL.—For purposes of paragraph (7), the insurance marketplace aggregate retention amount shall be the lesser of—

''(i) $27,500,000,000, as such amount is revised pursuant to this paragraph; and

''(ii) the aggregate amount, for all insurers, of insured losses during such calendar year.

''(B) REVISION OF INSURANCE MARKETPLACE AGGREGATE RETENTION AMOUNT.—

''(i) PHASE-IN.—Beginning in the calendar year that follows the date of enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2014, the amount set forth under subparagraph (A)(i) shall increase by $2,000,000,000 per calendar year until equal to $37,500,000,000.

''(ii) FURTHER REVISION.—Beginning in the calendar year that follows the calendar year in which the amount set forth under subparagraph (A)(i) is equal to $37,500,000,000, the amount under subparagraph (A)(i) shall be revised to be the amount equal to the annual average of the sum of insurer deductibles for all insurers participating in the Program for the prior 3 calendar years, as such sum is determined by the Secretary under subparagraph (C).

''(C) RULEMAKING.—Not later than 3 years after the date of enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2014, the Secretary shall—

''(i) issue final rules for determining the amount of the sum described under subparagraph (B)(ii); and

''(ii) provide a timeline for public notification of such determination.''; and

(2) in paragraph (7)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i), by striking ''for each of the periods referred to in subparagraphs (A) through (E) of paragraph (6)''; and

(ii) in clause (i), by striking ''for such period'';

(B) by striking subparagraph (B) and inserting the following:

''(B) [Reserved.]'';

(C) in subparagraph (C)—

(i) by striking ''occurring during any of the periods referred to in any of subparagraphs (A) through (E) of paragraph (6), terrorism loss risk-spreading premiums in an amount equal to 133 percent'' and inserting '', terrorism loss risk-spreading premiums in an amount equal to 140 percent''; and

(ii) by inserting ''as calculated under subparagraph (A)'' after ''mandatory recoupment amount''; and

(D) in subparagraph (E)(i)—

(i) in subclause (I)—

(I) by striking ''2010'' and inserting ''2017''; and

(II) by striking ''2012'' and inserting ''2019'';

(ii) in subclause (II)—

(I) by striking ''2011'' and inserting ''2018'';

(II) by striking ''2012'' and inserting ''2019''; and

(III) by striking ''2017'' and inserting ''2024''; and

(iii) in subclause (III)—

(I) by striking ''2012'' and inserting ''2019''; and

(II) by striking ''2017'' and inserting ''2024''.

SEC. 105. CERTIFICATION OF ACTS OF TERRORISM; CONSULTATION WITH SECRETARY OF HOMELAND SECURITY.

(a) IN GENERAL.—Paragraph (1)(A) of section 102 (15 U.S.C. 6701 note) is amended in the matter preceding clause (i), by striking ''concurrence with the Secretary of State'' and inserting ''consultation with the Secretary of Homeland Security''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2015.

SEC. 106. TECHNICAL AMENDMENTS.

The Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note) is amended—

(1) in section 102—

(A) in paragraph (3)—

(i) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(ii) in the matter preceding clause (i) (as so redesignated), by striking ''An entity has'' and inserting the following:

''(A) IN GENERAL.—An entity has''; and

(iii) by adding at the end the following new subparagraph:

''(B) RULE OF CONSTRUCTION.—An entity, including any affiliate thereof, does not have 'control' over another entity, if, as of the date of enactment of the Terrorism Risk Insurance Program Reauthorization Act of 2014, the entity is acting as an attorney-in-fact, as defined by the Secretary, for the other entity and such other entity is a reciprocal insurer, provided that the entity is not, for reasons other than the attorney-in-fact relationship, defined as having 'control' under subparagraph (A).'';

(B) in paragraph (7)—

(i) by striking subparagraphs (A) through (F) and inserting the following:

''(A) the value of an insurer's direct earned premiums during the immediately preceding calendar year, multiplied by 20 percent; and'';

(ii) by redesignating subparagraph (G) as subparagraph (B); and

(iii) in subparagraph (B), as so redesignated by clause (ii)—

(I) by striking ''notwithstanding subparagraphs (A) through (F), for the Transition Period or any Program Year'' and inserting ''notwithstanding subparagraph (A), for any calendar year''; and

(II) by striking ''Period or Program Year'' and inserting ''calendar year'';

(C) by striking paragraph (11); and

(D) by redesignating paragraphs (12) through (16) as paragraphs (11) through (15), respectively; and

(2) in section 103—

(A) in subsection (b)(2)—

(i) in subparagraph (B), by striking '', purchase,''; and

(ii) in subparagraph (C), by striking '', purchase,'';

(B) in subsection (c), by striking ''Program Year'' and inserting ''calendar year'';

(C) in subsection (e)—

(i) in paragraph (1)(A), as previously amended by section 102—

(I) by striking ''the Transition Period and each Program Year through Program Year 4 shall be equal to 90 percent, and during Program Year 5 and each Program Year thereafter'' and inserting ''each calendar year'';

(II) by striking the comma after ''80 percent''; and

(III) by striking ''such Transition Period or such Program Year'' and inserting ''such calendar year''; and

(ii) in paragraph (2)(A), by striking ''the period beginning on the first day of the Transition Period and ending on the last day of Program Year 1, or during any Program Year thereafter'' and inserting ''a calendar year''; and

(iii) in paragraph (3), by striking ''the period beginning on the first day of the Transition Period and ending on the last day of Program Year 1, or during any other Program Year'' and inserting ''any calendar year''; and

(D) in subsection (g)(2)—

(i) by striking ''the Transition Period or a Program Year'' each place that term appears and inserting ''the calendar year'';

(ii) by striking ''such period'' and inserting ''the calendar year''; and

(iii) by striking ''that period'' and inserting ''the calendar year''.

SEC. 107. IMPROVING THE CERTIFICATION PROCESS.

(a) DEFINITIONS.—As used in this section—

(1) the term ''act of terrorism'' has the same meaning as in section 102(1) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note);

(2) the term ''certification process'' means the process by which the Secretary determines whether to certify an act as an act of terrorism under section 102(1) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note); and

(3) the term ''Secretary'' means the Secretary of the Treasury.

(b) STUDY.—Not later than 9 months after the date of enactment of this Act, the Secretary shall conduct and complete a study on the certification process.

(c) REQUIRED CONTENT.—The study required under subsection (a) shall include an examination and analysis of—

(1) the establishment of a reasonable timeline by which the Secretary must make an accurate determination on whether to certify an act as an act of terrorism;

(2) the impact that the length of any timeline proposed to be established under paragraph (1) may have on the insurance industry, policyholders, consumers, and taxpayers as a whole;

(3) the factors the Secretary would evaluate and monitor during the certification process, including the ability of the Secretary to obtain the required information regarding the amount of projected and incurred losses resulting from an act which the Secretary would need in determining whether to certify the act as an act of terrorism;

(4) the appropriateness, efficiency, and effectiveness of the consultation process required under section 102(1)(A) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note) and any recommendations on changes to the consultation process; and

(5) the ability of the Secretary to provide guidance and updates to the public regarding any act that may reasonably be certified as an act of terrorism.

(d) REPORT.—Upon completion of the study required under subsection (a), the Secretary shall submit a report on the results of such study to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

(e) RULEMAKING.—Section 102(1) of the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note) is amended—

(1) by redesignating subparagraph (D) as subparagraph (E); and

(2) by inserting after subparagraph (C) the following:

''(D) TIMING OF CERTIFICATION.—Not later than 9 months after the report required under section 107 of the Terrorism Risk Insurance Program Reauthorization Act of 2014 is submitted to the appropriate committees of Congress, the Secretary shall issue final rules governing the certification process, including establishing a timeline for which an act is eligible for certification by the Secretary on whether an act is an act of terrorism under this paragraph.''.

SEC. 108. GAO STUDY.

(a) STUDY.—Not later than 2 years after the date of enactment of this Act, the Comptroller General of the United States shall complete a study on the viability and effects of the Federal Government—

(1) assessing and collecting upfront premiums on insurers that participate in the Terrorism Insurance Program established under the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note) (hereafter in this section referred to as the ''Program''), which shall include a comparison of practices in international markets to assess and collect premiums either before or after terrorism losses are incurred; and

(2) creating a capital reserve fund under the Program and requiring insurers participating in the Program to dedicate capital specifically for terrorism losses before such losses are incurred, which shall include a comparison of practices in international markets to establish reserve funds.

(b) REQUIRED CONTENT.—The study required under subsection (a) shall examine, but shall not be limited to, the following issues:

(1) UPFRONT PREMIUMS.—With respect to upfront premiums described in subsection (a)(1)—

(A) how the Federal Government could determine the price of such upfront premiums on insurers that participate in the Program;

(B) how the Federal Government could collect and manage such upfront premiums;

(C) how the Federal Government could ensure that such upfront premiums are not spent for purposes other than claims through the Program;

(D) how the assessment and collection of such upfront premiums could affect take-up rates for terrorism risk coverage in different regions and industries and how it could impact small businesses and consumers in both metropolitan and non-metropolitan areas;

(E) the effect of collecting such upfront premiums on insurers both large and small;

(F) the effect of collecting such upfront premiums on the private market for terrorism risk reinsurance; and

(G) the size of any Federal Government subsidy insurers may receive through their participation in the Program, taking into account the Program's current post-event recoupment structure.

(2) CAPITAL RESERVE FUND.—With respect to the capital reserve fund described in subsection (a)(2)—

(A) how the creation of a capital reserve fund would affect the Federal Government's fiscal exposure under the Terrorism Risk Insurance Program and the ability of the Program to meet its statutory purposes;

(B) how a capital reserve fund would impact insurers and reinsurers, including liquidity, insurance pricing, and capacity to provide terrorism risk coverage;

(C) the feasibility of segregating funds attributable to terrorism risk from funds attributable to other insurance lines;

(D) how a capital reserve fund would be viewed and treated under current Financial Accounting Standards Board accounting rules and the tax laws; and

(E) how a capital reserve fund would affect the States' ability to regulate insurers participating in the Program.

(3) INTERNATIONAL PRACTICES.—With respect to international markets referred to in paragraphs (1) and (2) of subsection (a), how other countries, if any—

(A) have established terrorism insurance structures;

(B) charge premiums or otherwise collect funds to pay for the costs of terrorism insurance structures, including risk and administrative costs; and

(C) have established capital reserve funds to pay for the costs of terrorism insurance structures.

(c) REPORT.—Upon completion of the study required under subsection (a), the Comptroller General shall submit a report on the results of such study to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

(d) PUBLIC AVAILABILITY.—The study and report required under this section shall be made available to the public in electronic form and shall be published on the website of the Government Accountability Office.

SEC. 109. MEMBERSHIP OF BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

(a) IN GENERAL.—The first undesignated paragraph of section 10 of the Federal Reserve Act (12 U.S.C. 241) is amended by inserting after the second sentence the following: ''In selecting members of the Board, the President shall appoint at least 1 member with demonstrated primary experience working in or supervising community banks having less than $10,000,000,000 in total assets.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act and apply to appointments made on and after that effective date, excluding any nomination pending in the Senate on that date.

SEC. 110. ADVISORY COMMITTEE ON RISK-SHARING MECHANISMS.

(a) FINDING; RULE OF CONSTRUCTION.—

(1) FINDING.—Congress finds that it is desirable to encourage the growth of nongovernmental, private market reinsurance capacity for protection against losses arising from acts of terrorism.

(2) RULE OF CONSTRUCTION.—Nothing in this Act, any amendment made by this Act, or the Terrorism Risk Insurance Act of 2002 (15 U.S.C. 6701 note) shall prohibit insurers from developing risk-sharing mechanisms to voluntarily reinsure terrorism losses between and among themselves.

(b) ADVISORY COMMITTEE ON RISK-SHARING MECHANISMS.—

(1) ESTABLISHMENT.—The Secretary of the Treasury shall establish and appoint an advisory committee to be known as the ''Advisory Committee on Risk-Sharing Mechanisms'' (referred to in this subsection as the ''Advisory Committee'').

(2) DUTIES.—The Advisory Committee shall provide advice, recommendations, and encouragement with respect to the creation and development of the nongovernmental risk-sharing mechanisms described under subsection (a).

(3) MEMBERSHIP.—The Advisory Committee shall be composed of 9 members who are directors, officers, or other employees of insurers, reinsurers, or capital market participants that are participating or that desire to participate in the nongovernmental risk-sharing mechanisms described under subsection (a), and who are representative of the affected sectors of the insurance industry, including commercial property insurance, commercial casualty insurance, reinsurance, and alternative risk transfer industries.

(c) EFFECTIVE DATE.—The provisions of this section shall take effect on January 1, 2015.

SEC. 111. REPORTING OF TERRORISM INSURANCE DATA.

Section 104 (15 U.S.C. 6701 note) is amended by adding at the end the following new subsection:

''(h) REPORTING OF TERRORISM INSURANCE DATA.—

''(1) AUTHORITY.—During the calendar year beginning on January 1, 2016, and in each calendar year thereafter, the Secretary shall require insurers participating in the Program to submit to the Secretary such information regarding insurance coverage for terrorism losses of such insurers as the Secretary considers appropriate to analyze the effectiveness of the Program, which shall include information regarding—

''(A) lines of insurance with exposure to such losses;

''(B) premiums earned on such coverage;

''(C) geographical location of exposures;

''(D) pricing of such coverage;

''(E) the take-up rate for such coverage;

''(F) the amount of private reinsurance for acts of terrorism purchased; and

''(G) such other matters as the Secretary considers appropriate.

''(2) REPORTS.—Not later than June 30, 2016, and every other June 30 thereafter, the Secretary shall submit a report to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate that includes—

''(A) an analysis of the overall effectiveness of the Program;

''(B) an evaluation of any changes or trends in the data collected under paragraph (1);

''(C) an evaluation of whether any aspects of the Program have the effect of discouraging or impeding insurers from providing commercial property casualty insurance coverage or coverage for acts of terrorism;

''(D) an evaluation of the impact of the Program on workers' compensation insurers; and

''(E) in the case of the data reported in paragraph (1)(B), an updated estimate of the total amount earned since January 1, 2003.

''(3) PROTECTION OF DATA.—To the extent possible, the Secretary shall contract with an insurance statistical aggregator to collect the information described in paragraph (1), which shall keep any nonpublic information confidential and provide it to the Secretary in an aggregate form or in such other form or manner that does not permit identification of the insurer submitting such information.

''(4) ADVANCE COORDINATION.—Before collecting any data or information under paragraph (1) from an insurer, or affiliate of an insurer, the Secretary shall coordinate with the appropriate State insurance regulatory authorities and any relevant government agency or publicly available sources to determine if the information to be collected is available from, and may be obtained in a timely manner by, individually or collectively, such entities. If the Secretary determines that such data or information is available, and may be obtained in a timely matter, from such entities, the Secretary shall obtain the data or information from such entities. If the Secretary determines that such data or information is not so available, the Secretary may collect such data or information from an insurer and affiliates.

''(5) CONFIDENTIALITY.—

''(A) RETENTION OF PRIVILEGE.—The submission of any non-publicly available data and information to the Secretary and the sharing of any non-publicly available data with or by the Secretary among other Federal agencies, the State insurance regulatory authorities, or any other entities under this subsection shall not constitute a waiver of, or otherwise affect, any privilege arising under Federal or State law (including the rules of any Federal or State court) to which the data or information is otherwise subject.

''(B) CONTINUED APPLICATION OF PRIOR CONFIDENTIALITY AGREEMENTS.—Any requirement under Federal or State law to the extent otherwise applicable, or any requirement pursuant to a written agreement in effect between the original source of any nonpublicly available data or information and the source of such data or information to the Secretary, regarding the privacy or confidentiality of any data or information in the possession of the source to the Secretary, shall continue to apply to such data or information after the data or information has been provided pursuant to this subsection.

''(C) INFORMATION-SHARING AGREEMENT.—Any data or information obtained by the Secretary under this subsection may be made available to State insurance regulatory authorities, individually or collectively through an information-sharing agreement that—

''(i) shall comply with applicable Federal law; and

''(ii) shall not constitute a waiver of, or otherwise affect, any privilege under Federal or State law (including any privilege referred to in subparagraph (A) and the rules of any Federal or State court) to which the data or information is otherwise subject.

''(D) AGENCY DISCLOSURE REQUIREMENTS.—Section 552 of title 5, United States Code, including any exceptions thereunder, shall apply to any data or information submitted under this subsection to the Secretary by an insurer or affiliate of an insurer.''.

SEC. 112. ANNUAL STUDY OF SMALL INSURER MARKET COMPETITIVENESS.

Section 108 (15 U.S.C. 6701 note) is amended by adding at the end the following new subsection:

''(h) STUDY OF SMALL INSURER MARKET COMPETITIVENESS.—

''(1) IN GENERAL.—Not later than June 30, 2017, and every other June 30 thereafter, the Secretary shall conduct a study of small insurers (as such term is defined by regulation by the Secretary) participating in the Program, and identify any competitive challenges small insurers face in the terrorism risk insurance marketplace, including—

''(A) changes to the market share, premium volume, and policyholder surplus of small insurers relative to large insurers;

''(B) how the property and casualty insurance market for terrorism risk differs between small and large insurers, and whether such a difference exists within other perils;

''(C) the impact of the Program's mandatory availability requirement under section 103(c) on small insurers;

''(D) the effect of increasing the trigger amount for the Program under section 103(e)(1)(B) on small insurers;

''(E) the availability and cost of private reinsurance for small insurers; and

''(F) the impact that State workers compensation laws have on small insurers and workers compensation carriers in the terrorism risk insurance marketplace.

''(2) REPORT.—The Secretary shall submit a report to the Congress setting forth the findings and conclusions of each study required under paragraph (1).''.

TITLE II—NATIONAL ASSOCIATION OF REGISTERED AGENTS AND BROKERS REFORM

SEC. 201. SHORT TITLE.

This title may be cited as the ''National Association of Registered Agents and Brokers Reform Act of 2014''.

SEC. 202. REESTABLISHMENT OF THE NATIONAL ASSOCIATION OF REGISTERED AGENTS AND BROKERS.

(a) IN GENERAL.—Subtitle C of title III of the Gramm-Leach-Bliley Act (15 U.S.C. 6751 et seq.) is amended to read as follows:

"Subtitle C—National Association of Registered Agents and Brokers

"SEC. 321. NATIONAL ASSOCIATION OF REGISTERED AGENTS AND BROKERS.

''(a) ESTABLISHMENT.—There is established the National Association of Registered Agents and Brokers (referred to in this subtitle as the 'Association').

''(b) STATUS.—The Association shall—

''(1) be a nonprofit corporation;

''(2) not be an agent or instrumentality of the Federal Government;

''(3) be an independent organization that may not be merged with or into any other private or public entity; and

''(4) except as otherwise provided in this subtitle, be subject to, and have all the powers conferred upon, a nonprofit corporation by the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29–301.01 et seq.) or any successor thereto.

"SEC. 322. PURPOSE.

''The purpose of the Association shall be to provide a mechanism through which licensing, continuing education, and other nonresident insurance producer qualification requirements and conditions may be adopted and applied on a multi-state basis without affecting the laws, rules, and regulations, and preserving the rights of a State, pertaining to—

''(1) licensing, continuing education, and other qualification requirements of insurance producers that are not members of the Association;

''(2) resident or nonresident insurance producer appointment requirements;

''(3) supervising and disciplining resident and nonresident insurance producers;

''(4) establishing licensing fees for resident and nonresident insurance producers so that there is no loss of insurance producer licensing revenue to the State; and

''(5) prescribing and enforcing laws and regulations regulating the conduct of resident and nonresident insurance producers.

"SEC. 323. MEMBERSHIP.

''(a) ELIGIBILITY.—

''(1) IN GENERAL.—Any insurance producer licensed in its home State shall, subject to paragraphs (2) and (4), be eligible to become a member of the Association.

''(2) INELIGIBILITY FOR SUSPENSION OR REVOCATION OF LICENSE.—Subject to paragraph (3), an insurance producer is not eligible to become a member of the Association if a State insurance regulator has suspended or revoked the insurance license of the insurance producer in that State.

''(3) RESUMPTION OF ELIGIBILITY.—Paragraph (2) shall cease to apply to any insurance producer if—

''(A) the State insurance regulator reissues or renews the license of the insurance producer in the State in which the license was suspended or revoked, or otherwise terminates or vacates the suspension or revocation; or

''(B) the suspension or revocation expires or is subsequently overturned by a court of competent jurisdiction.

''(4) CRIMINAL HISTORY RECORD CHECK REQUIRED.—

''(A) IN GENERAL.—An insurance producer who is an individual shall not be eligible to become a member of the Association unless the insurance producer has undergone a criminal history record check that complies with regulations prescribed by the Attorney General of the United States under subparagraph (K).

''(B) CRIMINAL HISTORY RECORD CHECK REQUESTED BY HOME STATE.—An insurance producer who is licensed in a State and who has undergone a criminal history record check during the 2-year period preceding the date of submission of an application to become a member of the Association, in compliance with a requirement to undergo such criminal history record check as a condition for such licensure in the State, shall be deemed to have undergone a criminal history record check for purposes of subparagraph (A).

''(C) CRIMINAL HISTORY RECORD CHECK REQUESTED BY ASSOCIATION.—

''(i) IN GENERAL.—The Association shall, upon request by an insurance producer licensed in a State, submit fingerprints or other identification information obtained from the insurance producer, and a request for a criminal history record check of the insurance producer, to the Federal Bureau of Investigation.

''(ii) PROCEDURES.—The board of directors of the Association (referred to in this subtitle as the 'Board') shall prescribe procedures for obtaining and utilizing fingerprints or other identification information and criminal history record information, including the establishment of reasonable fees to defray the expenses of the Association in connection with the performance of a criminal history record check and appropriate safeguards for maintaining confidentiality and security of the information. Any fees charged pursuant to this clause shall be separate and distinct from those charged by the Attorney General pursuant to subparagraph (I).

''(D) FORM OF REQUEST.—A submission under subparagraph (C)(i) shall include such fingerprints or other identification information as is required by the Attorney General concerning the person about whom the criminal history record check is requested, and a statement signed by the person authorizing the Attorney General to provide the information to the Association and for the Association to receive the information.

''(E) PROVISION OF INFORMATION BY ATTORNEY GENERAL.—Upon receiving a submission under subparagraph (C)(i) from the Association, the Attorney General shall search all criminal history records of the Federal Bureau of Investigation, including records of the Criminal Justice Information Services Division of the Federal Bureau of Investigation, that the Attorney General determines appropriate for criminal history records corresponding to the fingerprints or other identification information provided under subparagraph (D) and provide all criminal history record information included in the request to the Association.

''(F) LIMITATION ON PERMISSIBLE USES OF INFORMATION.—Any information provided to the Association under subparagraph (E) may only—

''(i) be used for purposes of determining compliance with membership criteria established by the Association;

''(ii) be disclosed to State insurance regulators, or Federal or State law enforcement agencies, in conformance with applicable law; or

''(iii) be disclosed, upon request, to the insurance producer to whom the criminal history record information relates.

''(G) PENALTY FOR IMPROPER USE OR DISCLOSURE.—Whoever knowingly uses any information provided under subparagraph (E) for a purpose not authorized in subparagraph (F), or discloses any such information to anyone not authorized to receive it, shall be fined not more than $50,000 per violation as determined by a court of competent jurisdiction.

''(H) RELIANCE ON INFORMATION.—Neither the Association nor any of its Board members, officers, or employees shall be liable in any action for using information provided under subparagraph (E) as permitted under subparagraph (F) in good faith and in reasonable reliance on its accuracy.

''(I) FEES.—The Attorney General may charge a reasonable fee for conducting the search and providing the information under subparagraph (E), and any such fee shall be collected and remitted by the Association to the Attorney General.

''(J) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed as—

''(i) requiring a State insurance regulator to perform criminal history record checks under this section; or

''(ii) limiting any other authority that allows access to criminal history records.

''(K) REGULATIONS.—The Attorney General shall prescribe regulations to carry out this paragraph, which shall include—

''(i) appropriate protections for ensuring the confidentiality of information provided under subparagraph (E); and

''(ii) procedures providing a reasonable opportunity for an insurance producer to contest the accuracy of information regarding

the insurance producer provided under subparagraph (E).

''(L) INELIGIBILITY FOR MEMBERSHIP.—

''(i) IN GENERAL.—The Association may, under reasonably consistently applied standards, deny membership to an insurance producer on the basis of criminal history record information provided under subparagraph (E), or where the insurance producer has been subject to disciplinary action, as described in paragraph (2).

''(ii) RIGHTS OF APPLICANTS DENIED MEMBERSHIP.—The Association shall notify any insurance producer who is denied membership on the basis of criminal history record information provided under subparagraph (E) of the right of the insurance producer to—

''(I) obtain a copy of all criminal history record information provided to the Association under subparagraph (E) with respect to the insurance producer; and

''(II) challenge the denial of membership based on the accuracy and completeness of the information.

''(M) DEFINITION.—For purposes of this paragraph, the term 'criminal history record check' means a national background check of criminal history records of the Federal Bureau of Investigation.

''(b) AUTHORITY TO ESTABLISH MEMBERSHIP CRITERIA.—The Association may establish membership criteria that bear a reasonable relationship to the purposes for which the Association was established.

''(c) ESTABLISHMENT OF CLASSES AND CATEGORIES OF MEMBERSHIP.—

''(1) CLASSES OF MEMBERSHIP.—The Association may establish separate classes of membership, with separate criteria, if the Association reasonably determines that performance of different duties requires different levels of education, training, experience, or other qualifications.

''(2) BUSINESS ENTITIES.—The Association shall establish a class of membership and membership criteria for business entities. A business entity that applies for membership shall be required to designate an individual Association member responsible for the compliance of the business entity with Association standards and the insurance laws, standards, and regulations of any State in which the business entity seeks to do business on the basis of Association membership.

''(3) CATEGORIES.—

''(A) SEPARATE CATEGORIES FOR INSURANCE PRODUCERS PERMITTED.—The Association may establish separate categories of membership for insurance producers and for other persons or entities within each class, based on the types of licensing categories that exist under State laws.

''(B) SEPARATE TREATMENT FOR DEPOSITORY INSTITUTIONS PROHIBITED.—No special categories of membership, and no distinct membership criteria, shall be established for members that are depository institutions or for employees, agents, or affiliates of depository institutions.

''(d) MEMBERSHIP CRITERIA.—

''(1) IN GENERAL.—The Association may establish criteria for membership which shall include standards for personal qualifications, education, training, and experience. The Association shall not establish criteria that unfairly limit the ability of a small insurance producer to become a member of the Association, including imposing discriminatory membership fees.

''(2) QUALIFICATIONS.—In establishing criteria under paragraph (1), the Association shall not adopt any qualification less protective to the public than that contained in the National Association of Insurance Commissioners (referred to in this subtitle as the 'NAIC') Producer Licensing Model Act in effect as of the date of enactment of the National Association of Registered Agents and Brokers Reform Act of 2014, and shall consider the highest levels of insurance producer qualifications established under the licensing laws of the States.

''(3) ASSISTANCE FROM STATES.—

''(A) IN GENERAL.—The Association may request a State to provide assistance in investigating and evaluating the eligibility of a prospective member for membership in the Association.

''(B) AUTHORIZATION OF INFORMATION SHARING.—A submission under subsection (a)(4)(C)(i) made by an insurance producer licensed in a State shall include a statement signed by the person about whom the assistance is requested authorizing—

''(i) the State to share information with the Association; and

''(ii) the Association to receive the information.

''(C) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as requiring or authorizing any State to adopt new or additional requirements concerning the licensing or evaluation of insurance producers.

''(4) DENIAL OF MEMBERSHIP.—The Association may, based on reasonably consistently applied standards, deny membership to any State-licensed insurance producer for failure to meet the membership criteria established by the Association.

''(e) EFFECT OF MEMBERSHIP.—

''(1) AUTHORITY OF ASSOCIATION MEMBERS.—Membership in the Association shall—

''(A) authorize an insurance producer to sell, solicit, or negotiate insurance in any State for which the member pays the licensing fee set by the State for any line or lines of insurance specified in the home State license of the insurance producer, and exercise all such incidental powers as shall be necessary to carry out such activities, including claims adjustments and settlement to the extent permissible under the laws of the State, risk management, employee benefits advice, retirement planning, and any other insurance-related consulting activities;

''(B) be the equivalent of a nonresident insurance producer license for purposes of authorizing the insurance producer to engage in the activities described in subparagraph (A) in any State where the member pays the licensing fee; and

''(C) be the equivalent of a nonresident insurance producer license for the purpose of subjecting an insurance producer to all laws, regulations, provisions or other action of any State concerning revocation, suspension, or other enforcement action related to the ability of a member to engage in any activity within the scope of authority granted under this subsection and to all State laws, regulations, provisions, and actions preserved under paragraph (5).

''(2) VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1994.—Nothing in this subtitle shall be construed to alter, modify, or supercede any requirement established by section 1033 of title 18, United States Code.

''(3) AGENT FOR REMITTING FEES.—The Association shall act as an agent for any member for purposes of remitting licensing fees to any State pursuant to paragraph (1).

''(4) NOTIFICATION OF ACTION.—

''(A) IN GENERAL.—The Association shall notify the States (including State insurance regulators) and the NAIC when an insurance producer has satisfied the membership criteria of this section. The States (including State insurance regulators) shall have 10 business days after the date of the notification in order to provide the Association with evidence that the insurance producer does not satisfy the criteria for membership in the Association.

''(B) ONGOING DISCLOSURES REQUIRED.—On an ongoing basis, the Association shall disclose to the States (including State insurance regulators) and the NAIC a list of the States in which each member is authorized to operate. The Association shall immediately notify the States (including State insurance regulators) and the NAIC when a member is newly authorized to operate in one or more States, or is no longer authorized to operate in one or more States on the basis of Association membership.

''(5) PRESERVATION OF CONSUMER PROTECTION AND MARKET CONDUCT REGULATION.—

''(A) IN GENERAL.—No provision of this section shall be construed as altering or affecting the applicability or continuing effectiveness of any law, regulation, provision, or other action of any State, including those described in subparagraph (B), to the extent that the State law, regulation, provision, or other action is not inconsistent with the provisions of this subtitle related to market entry for nonresident insurance producers, and then only to the extent of the inconsistency.

''(B) PRESERVED REGULATIONS.—The laws, regulations, provisions, or other actions of any State referred to in subparagraph (A) include laws, regulations, provisions, or other actions that—

''(i) regulate market conduct, insurance producer conduct, or unfair trade practices;

''(ii) establish consumer protections; or

''(iii) require insurance producers to be appointed by a licensed or authorized insurer.

''(f) BIENNIAL RENEWAL.—Membership in the Association shall be renewed on a biennial basis.

''(g) CONTINUING EDUCATION.—

''(1) IN GENERAL.—The Association shall establish, as a condition of membership, continuing education requirements which shall be comparable to the continuing education requirements under the licensing laws of a majority of the States.

''(2) STATE CONTINUING EDUCATION REQUIREMENTS.—A member may not be required to satisfy continuing education requirements imposed under the laws, regulations, provisions, or actions of any State other than the home State of the member.

''(3) RECIPROCITY.—The Association shall not require a member to satisfy continuing education requirements that are equivalent to any continuing education requirements of the home State of the member that have been satisfied by the member during the applicable licensing period.

''(4) LIMITATION ON THE ASSOCIATION.—The Association shall not directly or indirectly offer any continuing education courses for insurance producers.

''(h) PROBATION, SUSPENSION AND REVOCATION.—

''(1) DISCIPLINARY ACTION.—The Association may place an insurance producer that is a member of the Association on probation or suspend or revoke the membership of the insurance producer in the Association, or assess monetary fines or penalties, as the Association determines to be appropriate, if—

''(A) the insurance producer fails to meet the applicable membership criteria or other standards established by the Association;

''(B) the insurance producer has been subject to disciplinary action pursuant to a final adjudicatory proceeding under the jurisdiction of a State insurance regulator;

''(C) an insurance license held by the insurance producer has been suspended or revoked by a State insurance regulator; or

''(D) the insurance producer has been convicted of a crime that would have resulted in the denial of membership pursuant to subsection (a)(4)(L)(i) at the time of application, and the Association has received a copy of the final disposition from a court of competent jurisdiction.

''(2) VIOLATIONS OF ASSOCIATION STANDARDS.—The Association shall have the power

to investigate alleged violations of Association standards.

''(3) REPORTING.—The Association shall immediately notify the States (including State insurance regulators) and the NAIC when the membership of an insurance producer has been placed on probation or has been suspended, revoked, or otherwise terminated, or when the Association has assessed monetary fines or penalties.

''(i) CONSUMER COMPLAINTS.—

''(1) IN GENERAL.—The Association shall—

''(A) refer any complaint against a member of the Association from a consumer relating to alleged misconduct or violations of State insurance laws to the State insurance regulator where the consumer resides and, when appropriate, to any additional State insurance regulator, as determined by standards adopted by the Association; and

''(B) make any related records and information available to each State insurance regulator to whom the complaint is forwarded.

''(2) TELEPHONE AND OTHER ACCESS.—The Association shall maintain a toll-free number for purposes of this subsection and, as practicable, other alternative means of communication with consumers, such as an Internet webpage.

''(3) FINAL DISPOSITION OF INVESTIGATION.—State insurance regulators shall provide the Association with information regarding the final disposition of a complaint referred pursuant to paragraph (1)(A), but nothing shall be construed to compel a State to release confidential investigation reports or other information protected by State law to the Association.

''(j) INFORMATION SHARING.—The Association may—

''(1) share documents, materials, or other information, including confidential and privileged documents, with a State, Federal, or international governmental entity or with the NAIC or other appropriate entity referred to paragraphs (3) and (4), provided that the recipient has the authority and agrees to maintain the confidentiality or privileged status of the document, material, or other information;

''(2) limit the sharing of information as required under this subtitle with the NAIC or any other non-governmental entity, in circumstances under which the Association determines that the sharing of such information is unnecessary to further the purposes of this subtitle;

''(3) establish a central clearinghouse, or utilize the NAIC or another appropriate entity, as determined by the Association, as a central clearinghouse, for use by the Association and the States (including State insurance regulators), through which members of the Association may disclose their intent to operate in 1 or more States and pay the licensing fees to the appropriate States; and

''(4) establish a database, or utilize the NAIC or another appropriate entity, as determined by the Association, as a database, for use by the Association and the States (including State insurance regulators) for the collection of regulatory information concerning the activities of insurance producers.

''(k) EFFECTIVE DATE.—The provisions of this section shall take effect on the later of—

''(1) the expiration of the 2-year period beginning on the date of enactment of the National Association of Registered Agents and Brokers Reform Act of 2014; and

''(2) the date of incorporation of the Association.

''SEC. 324. BOARD OF DIRECTORS.

''(a) ESTABLISHMENT.—There is established a board of directors of the Association, which shall have authority to govern and supervise all activities of the Association.

''(b) POWERS.—The Board shall have such of the powers and authority of the Association as may be specified in the bylaws of the Association.

''(c) COMPOSITION.—

''(1) IN GENERAL.—The Board shall consist of 13 members who shall be appointed by the President, by and with the advice and consent of the Senate, in accordance with the procedures established under Senate Resolution 116 of the 112th ongress, of whom—

''(A) 8 shall be State insurance commissioners appointed in the manner provided in paragraph (2), 1 of whom shall be designated by the President to serve as the chairperson of the Board until the Board elects one such State insurance commissioner Board member to serve as the chairperson of the Board;

''(B) 3 shall have demonstrated expertise and experience with property and casualty insurance producer licensing; and

''(C) 2 shall have demonstrated expertise and experience with life or health insurance producer licensing.

''(2) STATE INSURANCE REGULATOR REPRESENTATIVES.—

''(A) RECOMMENDATIONS.—Before making any appointments pursuant to paragraph (1)(A), the President shall request a list of recommended candidates from the States through the NAIC, which shall not be binding on the President. If the NAIC fails to submit a list of recommendations not later than 15 business days after the date of the request, the President may make the requisite appointments without considering the views of the NAIC.

''(B) POLITICAL AFFILIATION.—Not more than 4 Board members appointed under paragraph (1)(A) shall belong to the same political party.

''(C) FORMER STATE INSURANCE COMMISSIONERS.—

''(i) IN GENERAL.—If, after offering each currently serving State insurance commissioner an appointment to the Board, fewer than 8 State insurance commissioners have accepted appointment to the Board, the President may appoint the remaining State insurance commissioner Board members, as required under paragraph (1)(A), of the appropriate political party as required under subparagraph (B), from among individuals who are former State insurance commissioners.

''(ii) LIMITATION.—A former State insurance commissioner appointed as described in clause (i) may not be employed by or have any present direct or indirect financial interest in any insurer, insurance producer, or other entity in the insurance industry, other than direct or indirect ownership of, or beneficial interest in, an insurance policy or annuity contract written or sold by an insurer.

''(D) SERVICE THROUGH TERM.—If a Board member appointed under paragraph (1)(A) ceases to be a State insurance commissioner during the term of the Board member, the Board member shall cease to be a Board member.

''(3) PRIVATE SECTOR REPRESENTATIVES.—In making any appointment pursuant to subparagraph (B) or (C) of paragraph (1), the President may seek recommendations for candidates from groups representing the category of individuals described, which shall not be binding on the President.

''(4) STATE INSURANCE COMMISSIONER DEFINED.—For purposes of this subsection, the term 'State insurance commissioner' means a person who serves in the position in State government, or on the board, commission, or other body that is the primary insurance regulatory authority for the State.

''(d) TERMS.—

''(1) IN GENERAL.—Except as provided under paragraph (2), the term of service for each Board member shall be 2 years.

''(2) EXCEPTIONS.—

''(A) 1-YEAR TERMS.—The term of service shall be 1 year, as designated by the President at the time of the nomination of the subject Board members for—

''(i) 4 of the State insurance commissioner Board members initially appointed under paragraph (1)(A), of whom not more than 2 shall belong to the same political party;

''(ii) 1 of the Board members initially appointed under paragraph (1)(B); and

''(iii) 1 of the Board members initially appointed under paragraph (1)(C).

''(B) EXPIRATION OF TERM.—A Board member may continue to serve after the expiration of the term to which the Board member was appointed for the earlier of 2 years or until a successor is appointed.

''(C) MID-TERM APPOINTMENTS.—A Board member appointed to fill a vacancy occurring before the expiration of the term for which the predecessor of the Board member was appointed shall be appointed only for the remainder of that term.

''(3) SUCCESSIVE TERMS.—Board members may be reappointed to successive terms.

''(e) INITIAL APPOINTMENTS.—The appointment of initial Board members shall be made no later than 90 days after the date of enactment of the National Association of Registered Agents and Brokers Reform Act of 2014.

''(f) MEETINGS.—

''(1) IN GENERAL.—The Board shall meet—

''(A) at the call of the chairperson;

''(B) as requested in writing to the chairperson by not fewer than 5 Board members; or

''(C) as otherwise provided by the bylaws of the Association.

''(2) QUORUM REQUIRED.—A majority of all Board members shall constitute a quorum.

''(3) VOTING.—Decisions of the Board shall require the approval of a majority of all Board members present at a meeting, a quorum being present.

''(4) INITIAL MEETING.—The Board shall hold its first meeting not later than 45 days after the date on which all initial Board members have been appointed.

''(g) RESTRICTION ON CONFIDENTIAL INFORMATION.—Board members appointed pursuant to subparagraphs (B) and (C) of subsection (c)(1) shall not have access to confidential information received by the Association in connection with complaints, investigations, or disciplinary proceedings involving insurance producers.

''(h) ETHICS AND CONFLICTS OF INTEREST.—The Board shall issue and enforce an ethical conduct code to address permissible and prohibited activities of Board members and Association officers, employees, agents, or consultants. The code shall, at a minimum, include provisions that prohibit any Board member or Association officer, employee, agent or consultant from—

''(1) engaging in unethical conduct in the course of performing Association duties;

''(2) participating in the making or influencing the making of any Association decision, the outcome of which the Board member, officer, employee, agent, or consultant knows or had reason to know would have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the person or a member of the immediate family of the person;

''(3) accepting any gift from any person or entity other than the Association that is given because of the position held by the person in the Association;

''(4) making political contributions to any person or entity on behalf of the Association; and

''(5) lobbying or paying a person to lobby on behalf of the Association.

''(i) COMPENSATION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no Board member may receive any compensation from the Association or any other person or entity on account of Board membership.

''(2) TRAVEL EXPENSES AND PER DIEM.—Board members may be reimbursed only by the Association for travel expenses, including per diem in lieu of subsistence, at rates consistent with rates authorized for employees of Federal agencies under subchapter I of chapter 57 of title 5, United States Code, while away from home or regular places of business in performance of services for the Association.

''SEC. 325. BYLAWS, STANDARDS, AND DISCIPLINARY ACTIONS.

''(a) ADOPTION AND AMENDMENT OF BYLAWS AND STANDARDS.—

''(1) PROCEDURES.—The Association shall adopt procedures for the adoption of bylaws and standards that are similar to procedures under subchapter II of chapter 5 of title 5, United States Code (commonly known as the 'Administrative Procedure Act').

''(2) COPY REQUIRED TO BE FILED.—The Board shall submit to the President, through the Department of the Treasury, and the States (including State insurance regulators), and shall publish on the website of the Association, all proposed bylaws and standards of the Association, or any proposed amendment to the bylaws or standards of the Association, accompanied by a concise general statement of the basis and purpose of such proposal.

''(3) EFFECTIVE DATE.—Any proposed bylaw or standard of the Association, and any proposed amendment to the bylaws or standards of the Association, shall take effect, after notice under paragraph (2) and opportunity for public comment, on such date as the Association may designate, unless suspended under section 329(c).

''(4) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to subject the Board or the Association to the requirements of subchapter II of chapter 5 of title 5, United States Code (commonly known as the 'Administrative Procedure Act').

''(b) DISCIPLINARY ACTION BY THE ASSOCIATION.—

''(1) SPECIFICATION OF CHARGES.—In any proceeding to determine whether membership shall be denied, suspended, revoked, or not renewed, or to determine whether a member of the Association should be placed on probation (referred to in this section as a 'disciplinary action') or whether to assess fines or monetary penalties, the Association shall bring specific charges, notify the member of the charges, give the member an opportunity to defend against the charges, and keep a record.

''(2) SUPPORTING STATEMENT.—A determination to take disciplinary action shall be supported by a statement setting forth—

''(A) any act or practice in which the member has been found to have been engaged;

''(B) the specific provision of this subtitle or standard of the Association that any such act or practice is deemed to violate; and

''(C) the sanction imposed and the reason for the sanction.

''(3) INELIGIBILITY OF PRIVATE SECTOR REPRESENTATIVES.—Board members appointed pursuant to section 324(c)(3) may not—

''(A) participate in any disciplinary action or be counted toward establishing a quorum during a disciplinary action; and

''(B) have access to confidential information concerning any disciplinary action.

''SEC. 326. POWERS.

''In addition to all the powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act, the Association shall have the power to—

''(1) establish and collect such membership fees as the Association finds necessary to impose to cover the costs of its operations;

''(2) adopt, amend, and repeal bylaws, procedures, or standards governing the conduct of Association business and performance of its duties;

''(3) establish procedures for providing notice and opportunity for comment pursuant to section 325(a);

''(4) enter into and perform such agreements as necessary to carry out the duties of the Association;

''(5) hire employees, professionals, or specialists, and elect or appoint officers, and to fix their compensation, define their duties and give them appropriate authority to carry out the purposes of this subtitle, and determine their qualification;

''(6) establish personnel policies of the Association and programs relating to, among other things, conflicts of interest, rates of compensation, where applicable, and qualifications of personnel;

''(7) borrow money; and

''(8) secure funding for such amounts as the Association determines to be necessary and appropriate to organize and begin operations of the Association, which shall be treated as loans to be repaid by the Association with interest at market rate.

''SEC. 327. REPORT BY THE ASSOCIATION.

''(a) IN GENERAL.—As soon as practicable after the close of each fiscal year, the Association shall submit to the President, through the Department of the Treasury, and the States (including State insurance regulators), and shall publish on the website of the Association, a written report regarding the conduct of its business, and the exercise of the other rights and powers granted by this subtitle, during such fiscal year.

''(b) FINANCIAL STATEMENTS.—Each report submitted under subsection (a) with respect to any fiscal year shall include audited financial statements setting forth the financial position of the Association at the end of such fiscal year and the results of its operations (including the source and application of its funds) for such fiscal year.

''SEC. 328. LIABILITY OF THE ASSOCIATION AND THE BOARD MEMBERS, OFFICERS, AND EMPLOYEES OF THE ASSOCIATION.

''(a) IN GENERAL.—The Association shall not be deemed to be an insurer or insurance producer within the meaning of any State law, rule, regulation, or order regulating or taxing insurers, insurance producers, or other entities engaged in the business of insurance, including provisions imposing premium taxes, regulating insurer solvency or financial condition, establishing guaranty funds and levying assessments, or requiring claims settlement practices.

''(b) LIABILITY OF BOARD MEMBERS, OFFICERS, AND EMPLOYEES.—No Board member, officer, or employee of the Association shall be personally liable to any person for any action taken or omitted in good faith in any matter within the scope of their responsibilities in connection with the Association.

''SEC. 329. PRESIDENTIAL OVERSIGHT.

''(a) REMOVAL OF BOARD.—If the President determines that the Association is acting in a manner contrary to the interests of the public or the purposes of this subtitle or has failed to perform its duties under this subtitle, the President may remove the entire existing Board for the remainder of the term to which the Board members were appointed and appoint, in accordance with section 324 and with the advice and consent of the Senate, in accordance with the procedures established under Senate Resolution 116 of the 112th ongress, new Board members to fill the vacancies on the Board for the remainder of the terms.

''(b) REMOVAL OF BOARD MEMBER.—The President may remove a Board member only for neglect of duty or malfeasance in office.

''(c) SUSPENSION OF BYLAWS AND STANDARDS AND PROHIBITION OF ACTIONS.—Following notice to the Board, the President, or a person designated by the President for such purpose, may suspend the effectiveness of any bylaw or standard, or prohibit any action, of the Association that the President or the designee determines is contrary to the purposes of this subtitle.

''SEC. 330. RELATIONSHIP TO STATE LAW.

''(a) PREEMPTION OF STATE LAWS.—State laws, regulations, provisions, or other actions purporting to regulate insurance producers shall be preempted to the extent provided in subsection (b).

''(b) PROHIBITED ACTIONS.—

''(1) IN GENERAL.—No State shall—

''(A) impede the activities of, take any action against, or apply any provision of law or regulation arbitrarily or discriminatorily to, any insurance producer because that insurance producer or any affiliate plans to become, has applied to become, or is a member of the Association;

''(B) impose any requirement upon a member of the Association that it pay fees different from those required to be paid to that State were it not a member of the Association; or

''(C) impose any continuing education requirements on any nonresident insurance producer that is a member of the Association.

''(2) STATES OTHER THAN A HOME STATE.—No State, other than the home State of a member of the Association, shall—

''(A) impose any licensing, personal or corporate qualifications, education, training, experience, residency, continuing education, or bonding requirement upon a member of the Association that is different from the criteria for membership in the Association or renewal of such membership;

''(B) impose any requirement upon a member of the Association that it be licensed, registered, or otherwise qualified to do business or remain in good standing in the State, including any requirement that the insurance producer register as a foreign company with the secretary of state or equivalent State official;

''(C) require that a member of the Association submit to a criminal history record check as a condition of doing business in the State; or

''(D) impose any licensing, registration, or appointment requirements upon a member of the Association, or require a member of the Association to be authorized to operate as an insurance producer, in order to sell, solicit, or negotiate insurance for commercial property and casualty risks to an insured with risks located in more than one State, if the member is licensed or otherwise authorized to operate in the State where the insured maintains its principal place of business and the contract of insurance insures risks located in that State.

''(3) PRESERVATION OF STATE DISCIPLINARY AUTHORITY.—Nothing in this section may be construed to prohibit a State from investigating and taking appropriate disciplinary action, including suspension or revocation of authority of an insurance producer to do business in a State, in accordance with State law and that is not inconsistent with the provisions of this section, against a member of the Association as a result of a complaint or for any alleged activity, regardless of whether the activity occurred before or after the insurance producer commenced doing business in the State pursuant to Association membership.

"SEC. 331. COORDINATION WITH FINANCIAL INDUSTRY REGULATORY AUTHORITY.

''The Association shall coordinate with the Financial Industry Regulatory Authority in order to ease any administrative burdens that fall on members of the Association that are subject to regulation by the Financial Industry Regulatory Authority, consistent with the requirements of this subtitle and the Federal securities laws.

"SEC. 332. RIGHT OF ACTION.

''(a) RIGHT OF ACTION.—Any person aggrieved by a decision or action of the Association may, after reasonably exhausting available avenues for resolution within the Association, commence a civil action in an appropriate United States district court, and obtain all appropriate relief.

''(b) ASSOCIATION INTERPRETATIONS.—In any action under subsection (a), the court shall give appropriate weight to the interpretation of the Association of its bylaws and standards and this subtitle.

"SEC. 333. FEDERAL FUNDING PROHIBITED.

''The Association may not receive, accept, or borrow any amounts from the Federal Government to pay for, or reimburse, the Association for, the costs of establishing or operating the Association.

"SEC. 334. DEFINITIONS.

''For purposes of this subtitle, the following definitions shall apply:

''(1) BUSINESS ENTITY.—The term 'business entity' means a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity.

''(2) DEPOSITORY INSTITUTION.—The term 'depository institution' has the meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

''(3) HOME STATE.—The term 'home State' means the State in which the insurance producer maintains its principal place of residence or business and is licensed to act as an insurance producer.

''(4) INSURANCE.—The term 'insurance' means any product, other than title insurance or bail bonds, defined or regulated as insurance by the appropriate State insurance regulatory authority.

''(5) INSURANCE PRODUCER.—The term 'insurance producer' means any insurance agent or broker, excess or surplus lines broker or agent, insurance consultant, limited insurance representative, and any other individual or entity that sells, solicits, or negotiates policies of insurance or offers advice, counsel, opinions or services related to insurance.

''(6) INSURER.—The term 'insurer' has the meaning as in section 313(e)(2)(B) of title 31, United States Code.

''(7) PRINCIPAL PLACE OF BUSINESS.—The term 'principal place of business' means the State in which an insurance producer maintains the headquarters of the insurance producer and, in the case of a business entity, where high-level officers of the entity direct, control, and coordinate the business activities of the business entity.

''(8) PRINCIPAL PLACE OF RESIDENCE.—The term 'principal place of residence' means the State in which an insurance producer resides for the greatest number of days during a calendar year.

''(9) STATE.—The term 'State' includes any State, the District of Columbia, any territory of the United States, and Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

''(10) STATE LAW.—

''(A) IN GENERAL.—The term 'State law' includes all laws, decisions, rules, regulations, or other State action having the effect of law, of any State.

''(B) LAWS APPLICABLE IN THE DISTRICT OF COLUMBIA.—A law of the United States applicable only to or within the District of Columbia shall be treated as a State law rather than a law of the United States.''.

(b) TECHNICAL AMENDMENT.—The table of contents for the Gramm-Leach-Bliley Act is amended by striking the items relating to subtitle C of title III and inserting the following new items:

''Subtitle C—National Association of Registered Agents and Brokers

''Sec. 321. National Association of Registered Agents and Brokers.
''Sec. 322. Purpose.
''Sec. 323. Membership.
''Sec. 324. Board of directors.
''Sec. 325. Bylaws, standards, and disciplinary actions.
''Sec. 326. Powers.
''Sec. 327. Report by the Association.
''Sec. 328. Liability of the Association and the Board members, officers, and employees of the Association.
''Sec. 329. Presidential oversight.
''Sec. 330. Relationship to State law.
''Sec. 331. Coordination with financial industry regulatory authority.
''Sec. 332. Right of action.
''Sec. 333. Federal funding prohibited.
''Sec. 334. Definitions.''.

TITLE III—BUSINESS RISK MITIGATION AND PRICE STABILIZATION

SEC. 301. SHORT TITLE.

This title may be cited as the ''Business Risk Mitigation and Price Stabilization Act of 2014''.

SEC. 302. MARGIN REQUIREMENTS.

(a) COMMODITY EXCHANGE ACT AMENDMENT.—Section 4s(e) of the Commodity Exchange Act (7 U.S.C. 6s(e)), as added by section 731 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, is amended by adding at the end the following new paragraph:

''(4) APPLICABILITY WITH RESPECT TO COUNTERPARTIES.—The requirements of paragraphs (2)(A)(ii) and (2)(B)(ii), including the initial and variation margin requirements imposed by rules adopted pursuant to paragraphs (2)(A)(ii) and (2)(B)(ii), shall not apply to a swap in which a counterparty qualifies for an exception under section 2(h)(7)(A), or an exemption issued under section 4(c)(1) from the requirements of section 2(h)(1)(A) for cooperative entities as defined in such exemption, or satisfies the criteria in section 2(h)(7)(D).''.

(b) SECURITIES EXCHANGE ACT AMENDMENT.—Section 15F(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78o–10(e)), as added by section 764(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, is amended by adding at the end the following new paragraph:

''(4) APPLICABILITY WITH RESPECT TO COUNTERPARTIES.—The requirements of paragraphs (2)(A)(ii) and (2)(B)(ii) shall not apply to a security-based swap in which a counterparty qualifies for an exception under section 3C(g)(1) or satisfies the criteria in section 3C(g)(4).''.

SEC. 303. IMPLEMENTATION.

The amendments made by this title to the Commodity Exchange Act shall be implemented—

(1) without regard to—

(A) chapter 35 of title 44, United States Code; and

(B) the notice and comment provisions of section 553 of title 5, United States Code;

(2) through the promulgation of an interim final rule, pursuant to which public comment will be sought before a final rule is issued; and

(3) such that paragraph (1) shall apply solely to changes to rules and regulations, or proposed rules and regulations, that are limited to and directly a consequence of such amendments.

The SPEAKER pro tempore. The gentleman from Texas (Mr. HENSARLING), and the gentlewoman from California (Ms. WATERS) each will control 30 minutes.

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and include extraneous material in the RECORD on S. 2244, currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HENSARLING. Mr. Speaker, I yield myself such time as I may consume.

We have an incredible opportunity before us in the House today, and that is to move significant bipartisan legislation that can accomplish a number of purposes and that will bring greater stability and certainty to the construction markets, to our insurance companies in dealing with the Terrorism Risk Insurance Act. We can also bring greater certainty and stability to our small factories, to our farmers, and to our ranchers—those who are still suffering in this economy. We can bring them certainty and stability by taking care of an unintended consequence of the Dodd-Frank Act, something called the ''end user exception'' in the derivative title, which may just be, as interpreted, one of the most damaging regulations that many in this body, perhaps, have not heard of.

Again, Mr. Speaker, this is legislation that has been worked on in a bipartisan manner, sometimes a little contentiously, but we have ended up in a place where, I believe, both Republicans and Democrats in the House and Senate should be able to come together.

I think it is important to remember, Mr. Speaker, that, particularly as we go into the holiday season—as we go into Christmas—how many working men and women are still lying awake at night, wondering how they are going to be able to fund Christmas for their children at this time. Although we have seen some modest improvements in this economy, there are still over 9 million of our fellow countrymen who are unemployed. Of the number of underemployed—those who wish to have full-time work but who cannot find it—it is almost twice the number, at 18 million. We have 46 million of our fellow countrymen still on food stamps and 45 million at the poverty rate.

One of the most important things we can do here, Mr. Speaker, is to be able to make a positive contribution for financial stability on our household

economies, to give greater economic opportunity, particularly at this time, and that is one of the aspects of S. 2244.

We have had a debate about the Terrorism Risk Insurance Act in this body. I was authorized on behalf of the House to negotiate this particular part of this bill, along with Senator SCHUMER, the gentleman from New York, on the Senate side. Over the course of several weeks and several meetings, we have negotiated language on this. Certainly, it doesn't give everything the House wants, and it doesn't give everything the Senate wants. Such is the nature of negotiations in a free society with divided government. For those who care passionately about the reauthorization, this is a long-term reauthorization bill, which most Members have asked for. It is a 6-year reauthorization.

For those who care about taxpayer protections, as I do, there were improvements for taxpayer protection. The trigger level has been doubled before TRIA kicks in, meaning there is greater coverage by the insurance companies, a little less for the taxpayers. As for an artificial ceiling on what the industry will contribute, that artificial ceiling now ceases to be in S. 2244. For the first time, taxpayers will actually get some modest rate of return should they be called upon under TRIA to backstop. These are important improvements, and I think conservative and liberal and Republican and Democrat, hopefully, will see something worthy here.

I will point out it is disconcerting—it is disturbing—that those who have backed so many other provisions in this bill now want to say ''no'' to being able to have a long-term TRIA reauthorization passed. This bill before us includes this end user exemption, which is so important. This isn't for Wall Street. This is for Main Street. It is for a cattle producer in Kansas, named Tracy Brunner, who said:

> This mistaken language in Dodd-Frank may very well force me out of the market, subjecting me to even greater risk. My operation is family run. We are not responsible for the failures that led to the passage of Dodd-Frank.

Yet his family-owned farm in Kansas—1,500 miles away from Wall Street—suffers.

Even the ranking member has acknowledged that there have been some unintended consequences to Dodd-Frank. Recently, she was one of 412 Members of this House to vote in favor of the end user exception, which she, herself, called a ''clarification''—not an amendment, not a change, but a clarification.

Mr. Speaker, even Mr. Dodd and Mr. Frank of Dodd-Frank, over 4 years ago in colloquy on the House floor and on the Senate floor, said that these provisions were never meant to harm Main Street America; never meant to apply to end users; never meant to apply to the farmers, the ranchers, and the small factory workers.

We have an opportunity to do something very positive. Now, all of a sudden, some across the aisle have said: We can't do this. We believe this is unrelated to TRIA.

Why did the United States Senate, Mr. Speaker, put in a provision that makes a radical change in the requirements to serve on the Board of Governors of the Federal Reserve? What did that have to do with TRIA? The Senate put that in. NARAB, the National Association of Registered Agents and Brokers—the Senate put that in. Two-thirds of this bill is about NARAB. The Senate put it in.

Mr. Speaker, I am not debating the underlying policy issues, but it is, at best, a little bit disconcerting, if not disingenuous, to say, my Lord, the House shouldn't put in an unrelated provision when the Senate just did it twice.

Then we heard the Senate will not open up Dodd-Frank. What is the Collins amendment? The Collins amendment was sent over by the Senate, not as part of this legislation. They opened up Dodd-Frank. Then again, to quote the ranking member, this is a ''clarification.''

We have an opportunity to pass a bipartisan bill not only to bring some stability and certainty to our insurance markets and to our builders, but to farmers and ranchers and small businesses and hurting families at this holiday season. Without any further delay, we should enact S. 2244, as amended.

I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

I rise today to shine a light on what has happened in the development of the Terrorism Risk Insurance Program Reauthorization Act. I rise today to talk about the fact that the chairman of our committee, of the Financial Services Committee, did not want, at one point, to reauthorize terrorism risk insurance at all, so he strung out the possibility of negotiations for months.

He had decided that he was not going to reauthorize terrorism insurance, and he will tell you that he offered to negotiate with me. The only thing that I ever remember about a conversation that we had was that my chairman said: I will only negotiate this once—starting out in bad faith.

Time went on, and at some point in time, somebody convinced him that to reauthorize the Terrorism Risk Insurance Program was an honorable thing to do, that it was an American thing to do, that it was an important thing to do. This program had been passed and signed on by the President of the United States after 9/11.

The insurance companies, which insure risk, basically said they cannot model terrorism acts. After 9/11, it was decided that we would mandate that they insure but that we would provide a backstop, that we would provide a backstop to ensure that we could rebuild our communities, that we could rebuild these huge venues—these important places in our lives—in the case of a terrorism attack.

When Mr. HENSARLING finally decided that he would negotiate, he ended up in negotiations with Mr. SCHUMER. Mr. SCHUMER and the Democrats basically conceded and gave in on a lot of things. We supported, originally, the Senate bill. We thought the Senate bill was a fine bill that reauthorized terrorism risk for 7 years; and, of course, it had in it the backstop after $100 million was spent by the industry, and it basically did everything that we wanted it to have done just as it had started out to do.

Mr. HENSARLING came along, and he decided that he wanted to reduce the time of the reauthorization. I don't know what he started out with, but we ended up with 6 years instead of 7 years. We gave in.

I remember that he wanted bifurcation in the bill. He wanted to distinguish between what kind of terrorist attack, how much it was worth, and whether some of it was worse than others. He talked about bifurcating in ways that you would distinguish between radiological, biological, chemical, and others. We negotiated and negotiated, and, finally, we got that out of Mr. HENSARLING's mind about bifurcation.

□ 1530

Then the gentleman from Texas (Mr. HENSARLING) said that we needed to reduce our backstop. And instead of backstopping after $100 million, first he talked about $500 million, secondly he talked about $250 million, and finally we got him down to $200 million. And it is over a 5-year period of time. So we said, okay. We negotiated in good faith. We will go along with the changes. We are willing to concede that you have some different thoughts, and that is okay. Let's come together in a bipartisan way and support the reauthorization of terrorism risk insurance.

I was informed later on that my chairman came back to the table with any number of things that had nothing to do with terrorism risk insurance but had more to do with Dodd-Frank because, unfortunately, my chairman and too many Members on the opposite side of the aisle are intent on dismantling Dodd-Frank in any and every way that they possibly can.

And finally, in those negotiations—the way it has been explained to me—they agreed that they would allow him to add just one aspect of the Dodd-Frank bill that had passed this House, to talk about how agriculture and some other industries could lock in some prices so that they could look forward to what a price would be on those commodities, et cetera, that they would have to purchase.

This had nothing to do with terrorism insurance. So I am not saying to the Members that you shouldn't vote for this bill. What I am pointing out is that this is just another attempt

for the chairman to indicate in every way that he possibly can and take advantage of any opportunity that presents itself to get a little something in about Dodd-Frank.

What I worry about is not so much what he has put into TRIA; I worry about what is going into the omnibus bill. I worry about the fact that, in addition to this, there is an attempt—if it has not already been done—to place into the omnibus bill a repeal of part of Dodd-Frank that would prevent the biggest banks in America from taking advantage of our consumers by using their hard-earned money to do risky derivatives trading, which should be pushed out into their subsidiaries and not have the FDIC in any way protect them in doing this.

So what I say is this. We should know and we should understand exactly how the process works. We should know and understand what is being done and why it is being done. If, in fact, there is so much care and concern about TRIA reauthorization, we should have a clean bill with nothing else in it. If we want to debate Dodd-Frank—what we don't like about it, what we like about it—let's do it straight up. Let's not slip it in at the eleventh hour at a time when our backs are up against the wall, at a time when we are closing down this session. And that is what I am opposed to.

Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield myself 20 seconds to thank the ranking member for her fascinating, elongated narrative that proves just how reasonable House Republicans were in this negotiation.

I have to correct her yet again, though, and say that I have never said publicly or privately that we should allow the Federal backstop of terrorism to lapse. She is entitled to her own opinions. She is not entitled to her own facts.

The SPEAKER pro tempore (Mr. TERRY). The time of the gentleman has expired.

Mr. HENSARLING. I yield myself an additional 10 seconds.

And previously she has said that she has been in favor of this provision. She has been in favor of the end user exemption and has said the bill would clarify the intent of the Wall Street Reform Act. I urge the committee to adopt the bill.

So she was for it before she was against it. But whether it be Biggert-Waters, whether it be Export-Import, whether it be end user, she has changed her mind frequently.

I now yield 2 minutes to the gentleman from North Carolina (Mr. MCHENRY), the chief deputy majority whip.

Mr. MCHENRY. Mr. Speaker, I first want to commend Chairman HENSARLING for bringing this bipartisan agreement and construct to the House floor. It extends a very important Federal backstop against the risk of terror on the American people, small businesses, and substantial businesses as well. As I have said in the past, it is very important that we reauthorize the TRIA program, and the chairman incorporated diverse opinions, including those from across the aisle.

I also want to commend our colleagues from New York, Congressman GRIMM and Congressman KING, for the important work that they did to bring this about today.

As amended, the bill will ensure that terrorism risk protection is available for the next 6 years, while lessening the taxpayer burden.

Since September 11, the TRIA program has provided an important Federal backstop for businesses that must insure against the devastation of a future attack.

Congressman HENSARLING has worked with our friends across the aisle to make commonsense changes to this program while ensuring that both businesses and taxpayers are not exposed to the risk of future terrorism attacks.

In addition, as amended, this bill will make some very important technical changes to the Dodd-Frank Act by protecting manufacturers, ranchers, and small businesses that need to hedge against business risk.

While this legislation will become law—and I expect a substantial number of my Democratic colleagues to cross the aisle and vote with almost all of the House Republicans and the Democrat Senate to pass this, and a Democrat President to sign this—I urge my other colleagues on the other side of the aisle to come on over. It is a good reform, a necessary reform, and it is going to be a fantastic strong vote that we are going to have in the House of Representatives to do the right thing, both for the taxpayer, the American people, and small businesses, while at the same time protecting against the devastation of a future attack.

I thank the chairman and I also thank subcommittee chair, Mr. NEUGEBAUER, for their work on this very important program. It has been a long process, but it shows that the Financial Services Committee can get the deal done.

Ms. WATERS. Mr. Speaker, I yield myself 1 minute to correct the gentleman from North Carolina (Mr. MCHENRY) who is inviting us to come on over.

We have been inviting them, from day one, to come up with a terrorism risk insurance bill reauthorization. So we have been inviting them to come on over. We have had Members on the opposite side of the aisle who have been pleading with them to come over. We have always had 100 percent support on the Democratic side for the reauthorization of terrorism risk insurance, and the Republicans have basically held us up and only negotiated at the last minute. Don't invite us to come over. They can come on over with us.

I yield 3 minutes to the gentlewoman from New York (Mrs. CAROLYN B. MALONEY).

(Mrs. CAROLYN B. MALONEY of New York asked and was given permission to revise and extend her remarks.)

Mrs. CAROLYN B. MALONEY of New York. I thank the ranking member for her leadership and for yielding and for her hard work on this important bill.

Mr. Speaker, I rise in support of S. 2244, which is critically important to the economy and national security of the city I am privileged to represent, New York, and to our Nation at large.

After the terrible attacks on 9/11, insurers realized that they could not accurately model for terrorism risk—it was simply too unpredictable, and the market for terrorism insurance completely dried up. No one could get insured. Businesses stopped. The only place we could get insured was Lloyd's of London, and we lost thousands of jobs and our economy came to a standstill.

In response, Congress came together, united and determined, and, in a bipartisan way, passed the Terrorism Risk Insurance Act, or TRIA, which provides a government backstop for terrorism insurance.

The goal of TRIA was to make terrorism insurance affordable and available, and that is exactly what it has done. This has come at no cost whatsoever to the American taxpayer.

This bill represents a true bipartisan compromise, and I commend the gentlemen from Texas, Chairmen HENSARLING and NEUGEBAUER, for working with my colleagues, Senator SCHUMER and Ranking Member WATERS, to reach a deal on TRIA.

Initially, the House TRIA bill raised the trigger for the government backstop by a whopping 500 percent, from $100 million to $500 million. This would have forced many small- and medium-sized insurers out of the market entirely and would have actually decreased the amount of terrorism insurance available in our country.

Fortunately, this compromise bill only raises the trigger for the government backstop from $100 million to $200 million. This modest increase will ensure that small- and medium-sized insurers are not forced out of the market, while also protecting taxpayers. I fully and completely support this compromise.

Importantly, however, the compromise does not include the so-called ''bifurcation'' proposal, which would have treated nuclear, biological, chemical, and radiological attacks differently from the so-called ''conventional'' terrorism attacks. This made no sense whatsoever, and this compromise sensibly drops the proposal entirely.

Finally, I am pleased that this bill reauthorizes TRIA for a full 6 years. This will provide much-needed certainty to businesses across our country as they expand and create jobs.

This compromise will ensure that terrorism insurance remains widely affordable and available. This has always been the underlying purpose of TRIA,

and I believe that this bill accomplishes that goal.

I would like to commend the gentlemen from Texas, Chairman HENSARLING and Chairman NEUGEBAUER, for recognizing that a long-term reauthorization of TRIA is incredibly important for our economy. I thank my good friend from New York, PETER KING. He has been a tireless advocate for TRIA, and without his hard work on this bill, we wouldn't be voting on this compromise today. And I thank the gentlewoman from California, Ranking Member WATERS, for working with me on this bill.

I would like to particularly thank my colleague from New York, Senator SCHUMER, for his excellent work in negotiating this compromise.

I urge my colleagues to support this bill because it is the right thing to do for America.

Mr. HENSARLING. Mr. Speaker, I thank the gentlelady from New York, the ranking member of the Capital Markets Subcommittee, for her support.

I yield 3 minutes to the gentleman from Texas (Mr. NEUGEBAUER), the chairman of the Financial Services Housing and Insurance Subcommittee, the champion and author of the House TRIA bill, and the author of the amendment here. I thank him for his work.

Mr. NEUGEBAUER. I thank the chairman.

Mr. Speaker, there has been a lot of discussion about this bill, and people were talking about reforms. And you know what? I think what the American people need to understand is why these reforms are important to them. The reason they are important to them is, quite honestly, right now, the taxpayers in this country are underwriting part of the risk for terrorism attacks in this country for the property owners.

What this bill does is it begins to bring certainty for the industry, for the insurers, and also certainty for the people who are building the new buildings and apartment houses and shopping centers and other types of public facilities. It gives them the certainty of what the policy is going to be over the next few years. But I think the important part is that the taxpayers are an additional cushion that is being put between them and any potential loss.

One of the things that has been mentioned, we raised the trigger from $100 million to $200 million. That is an important part of that. I think the other issue that we have tried to do with this in order to create this certainty was, we didn't change the overall structure of the TRIA program. We have tried to keep it within the confines of how it has been operating over the last few years, that way, creating the least amount of certainty that we could.

I think the part that isn't mentioned a lot of times is the fact that we did leave in place a deductible, and basically the industry has to take the first loss up to about 20 percent of their annualized premium for the previous year. Today, on an industry-wide basis, that is about $40 billion. So if you have got a $200 million trigger, you have got a $40 billion cushion between the taxpayers and a potential loss.

The other thing that we did in this bill is we said when we get to the point where after the deductible the taxpayers start sharing that loss, then the taxpayers' portion moves from 85 percent to 80 percent. So that is another cushion.

I think one of the things that we want to let the folks know also is that an additional protection that was built into this bill was the amount of money that the taxpayers could recover if, in fact, they had to put additional money into the TRIA program. So now we have increased that amount substantially.

□ 1545

I am feeling good that we are moving in the right direction, but ultimately, what we need to do is get the taxpayers out of the insurance business. When you look across the board where the taxpayers are having to underwrite insurance-type losses, whether it be flood insurance or mortgage insurance, quite honestly, the government doesn't do well at pricing those.

There are some good things in this bill besides the TRIA reform in that we have that NARAB II. What is that? Well, that is a good small business bill. A lot of people have independent insurance agents in their districts or in their communities or in their States that may want to write business in other States.

To do that today, they have to go pass another license, take another license in that other State. Under NARAB II, they would be able to take their existing license if they meet the requirements in other States and follow those laws. They would able to underwrite that.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HENSARLING. Mr. Speaker, I yield the gentleman an additional 30 seconds.

Mr. NEUGEBAUER. Mr. Speaker, the third piece of this legislation that is important is that we are going to help farmers, ranchers, and small businesses be able to cover the risks that they need without taking a lot of their operating capital, putting that operating capital into a plant, into equipment so they can hire and create more jobs in America. These are all issues that have had bipartisan support in the past.

Mr. Speaker, I now urge my colleagues: let's do something good for the American people, and let's pass S. 2244, as amended.

Ms. WATERS. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. DAVID SCOTT).

Mr. DAVID SCOTT of Georgia. Thank you very much, Madam Chairman.

Mr. Speaker, I am sure, as those who are watching this on C–SPAN across the Nation, we can comfortably say that what we have in motion on the floor of the House of Representatives is something that Alexander Hamilton leaned over and said to Thomas Jefferson: ''My friend, what we have here is an old-fashioned, good old compromise.''

Compromise, a word that has been out of our lexicon for so long that the American people are looking for us to put it back in. Well, that is what we have on this floor. It is a compromise.

Mr. Speaker, I want to thank the ranking member because of her tenacity and her leadership because in his vision on the other side, the distinguished Chairman HENSARLING, who is a very good friend, in his own way sought for a $500 million trigger.

We on our side felt that we wanted to hold to the $100 trigger which is when the actual Federal assistance would go into action, and we knew that that was further. I commend the ranking member and I certainly commend Mr. HENSARLING for agreeing and recognizing that we would come to the 200 level.

I also want to thank Mr. HENSARLING for including in this NARAB, that is such an important measure, and many people may not realize this, but we have worked on NARAB for 10 years in the Financial Services Committee. It has been a major part of my whole legislative history in this body every year working on it.

I want to thank you, Chairman HENSARLING, for listening to us, talking, and agreeing to make this a part of this bill that we have before us. Thank you very much for doing that.

The other part, I want to thank both, and I certainly want to thank our ranking member for her wisdom in compromising on the end user. Now, we all know of the differences with Dodd-Frank. I tried to have a clear view on this, and it was very important that we make this technical change, so that we don't let our ranchers, our farmers, and our manufacturers—none of which had anything to do with the Wall Street debacle and none of which are financial institutions—that we will exempt them from the cumbersome and the overbearing need to put margins out when they are doing swaps and derivatives.

Ladies and gentlemen, this is an excellent bill, it is a good bill, and it is one that we urge to move forward.

Mr. HENSARLING. Mr. Speaker, I yield myself 10 seconds just to say I heard so many kind words from my friend from Georgia that maybe I need to go back and reexamine the bill; but, indeed, compromise is not a vice, as long as you are advancing your principles, and both sides can advance their principles in this bill.

Mr. Speaker, I now yield 2 minutes to the gentleman from New York (Mr. KING), a valued member of the Financial Services Committee, a tireless advocate—and occasionally tiring advocate—for TRIA reauthorization.

Mr. KING of New York. Mr. Speaker, I thank the gentleman for yielding and for his mostly kind words.

Very seriously Mr. Speaker, I thank the chairman. At the outset, let me thank Chairman HENSARLING; Chairman NEUGEBAUER; Ranking Member WATERS; my good friend, Mrs. MALONEY from New York; and also Senator SCHUMER.

As the gentleman from Georgia said, this has been a long and winding road, but we have arrived at a compromise which I believe is worthy of the support of all Members of this body, certainly those of us who strongly support TRIA.

I have been a supporter of TRIA going back now 12, 13 years because after 9/11, we realized it was absolutely essential that TRIA be enacted for not just New York to be rebuilt, but also so that construction be allowed to go forward anywhere around the country where there could be a risk of a terrorist attack which is why Major League Baseball, the NFL, NASCAR, and virtually every large university in the country supports TRIA.

Now, Mr. Speaker, this is a compromise, and it is a compromise where all of us can find some fault with it, but the bottom line is the essence of TRIA has been sustained, and as we go forward, it is essential, I believe—strongly believe—that it be extended.

Let's make it clear there has not been 1 cent of Federal money expended on TRIA, but during the 13 years it has been in effect, we have had billions of dollars in construction, jobs, and revenues coming into the Federal Government. There is also not one Federal employee involved in administering TRIA.

Mr. Speaker, we are where we are, and 6 years to have that certitude is absolutely essential. I respect those on the other side who may have objections to added provisions in the bill. I would just say: let us keep our eyes on the prize. For those of us who realize how important TRIA is, we are never going to get all we want. I happen to fully support the provision for end users, but even if I didn't, I would still support this bill because it is so essential.

Mr. Speaker, let me just also say in closing that in addition to those I have mentioned, let me also acknowledge Congressman GRIMM for the outstanding work that he has done on this from the day he first came to this body.

In closing, I urge all Members, both parties and both Houses, to support this bill. It is a solid piece of legislation, and all of us can be proud for voting for it.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Chairman and Members, a special appreciation to Mr. KING who has worked very, very hard on both sides of the aisle to try and make sure that we did not abandon our citizens in this country and leave them at risk in case of a terrorist attack.

As I said before, Mr. Speaker, my chairman held us up for a long time and would not negotiate. He finally came around, but this is typical. He mentioned the flood insurance bill. We never could get him to negotiate on that, and so we had to bypass him to make sure that we didn't put our homeowners at risk. As he mentioned the Ex-Im bill, he has only supported extension of that for a short period of time.

When it comes to helping our citizens and the least of them, it seems as if my chairmen have problems with providing for the average citizen on Main Street, but no problems when we talk about how we can enhance the ability of the biggest banks in America and others to get richer and richer. I thought it would be worthwhile to shed some light on those comments that he made about Ex-Im and about flood and now about TRIA.

We are glad, we are very happy that he finally saw the light, even if he had to insert a little something in it, and he came around, and he is now on the side of the people. This is about patriotism. This is about American citizens. This is about protecting our cities and our neighborhoods at a time when this country has to be sure that it is focused on the safety and security of our citizens.

It is no time to dither around with whether or not we will rebuild neighborhoods in these important venues in case of a terrorist attack; so, yes, we have a compromise.

Mr. Speaker, I am so proud of the Democratic side of the aisle on this. As I said, Democrats were fully supportive of the reauthorization of the terrorism risk insurance program from day one. We have never ever wavered. None of us have ever tried in any way to reduce the program, to change the trigger, et cetera, but we did compromise as we said.

Now, let me speak to the end user part of this. Yes, I worked with Mr. DAVID SCOTT and others because I have always said that on Dodd-Frank, that we have a responsibility to implement what is in law, but I always said I would support technical changes and I would support ways that we work together to straighten out things that were not clear in Dodd-Frank. I have never said that I would not be at the table to deal with these kinds of technical changes, and I was.

When I got up today, I didn't speak about being against the bill. I spoke about what has happened that led us to this point, why we are at the eleventh hour, and the way that the negotiations went on.

Again, TRIA is important, and it should be reauthorized. I wish it had been a clean bill. It is not, and I hope that we are not going to have to have attempts to undermine Dodd-Frank in every bill that comes along where my chairman sees an opportunity to try and slide something in at the eleventh hour.

I hope that when we talk about negotiations and trying to get together to compromise, to work on things that are in the best interests of this country, that nobody will play games with us, no one will lead us to the point where our backs are up against the wall at the eleventh hour, but we will openly debate these issues, we will listen to the pros and cons on these issues and that we hopefully will come together in the best interests of all of the citizens.

Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. I yield myself 10 seconds for, Mr. Speaker, those who may be listening could be confused, as are those in the Chamber. I am very curious whether the ranking member is opposed or supporting this bill as amended. I yield to the gentlewoman.

Ms. WATERS. Mr. Chairman, as I said to you when I first got up, I said to you I wanted to shine light on the bill.

Mr. HENSARLING. Does the gentlewoman oppose or support?

Ms. WATERS. And I have done that.

Mr. HENSARLING. It is obvious the gentlelady refuses to answer the question.

Ms. WATERS. Before I finish my remarks on this bill, I will tell you what my position is.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. HENSARLING. Mr. Speaker, I now yield 2 minutes to the distinguished gentleman from Oklahoma (Mr. LUCAS), the chairman of the Agriculture Committee and a distinguished member of the House Financial Services Committee as well.

Mr. LUCAS. Thank you, Mr. Chairman.

Mr. Speaker, I rise today in support of S. 2244, a bill to extend the expiration date of the Terrorism Risk Insurance Act. Specifically, I support H.R. 634, the Business Risk Mitigation and Price Stabilization Act that is included as a part of this larger effort.

Mr. Speaker, H.R. 634 provides critical regulatory relief to end users, the market participants, businesses, and job creators that use derivatives to manage the risks they face in their daily operations. For example, farmers who need to hedge against the volatility of crop prices and manufacturers who need to hedge against the rising input costs of fuel use derivatives as a part of their business plans.

During the consideration of the Dodd-Frank Act, Congress clearly intended to exempt end users from some of the most costly new regulations, such as margin requirements. Margin requirements needlessly divert working capital away from job-creating production and investment; however, the CFTC has narrowly interpreted the law which has negatively impacted end users and their bottom line.

Mr. Speaker, including the Business Risk Mitigation and Price Stabilization Act in today's bill permanently

fixes this issue for end users. It ensures that those businesses which have been exempted from clearing requirements of their trades are also exempted from margining their trades, just as Congress always intended.

The language in H.R. 634 has passed through the Committee on Agriculture by a voice vote and then through the House four other times. As a standalone bill, it passed with the support of 411 Members. Other times, as part of a larger package, it continued to receive overwhelming bipartisan support. The House of Representatives has spoken clearly on this issue: end users should not be required to post margin on their transactions.

I thank the chairman for including the Business Risk Mitigation and Price Stabilizations Act in today's bill. It is time to give our farms and our businesses the relief they need from this costly and damaging rule. I urge a vote for TRIA.

□ 1600

Ms. WATERS. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Ms. VELÁZQUEZ).

(Ms. VELÁZQUEZ asked and was given permission to revise and extend her remarks.)

Ms. VELÁZQUEZ. Mr. Speaker, I thank the gentlelady for yielding.

Today I call on my colleagues to pass reauthorization of the Terrorism Risk Insurance Program, a public-private partnership that is vital to continued economic development across the country.

Following the tragic events of 9/11, terrorism became uninsurable. Many insurers left the market, and rates skyrocketed. As a result, thousands of small businesses were impacted, causing job losses and hindering the recovery effort. To address the growing market gap, Congress passed the Terrorism Risk Insurance Act, creating a Federal backstop and enticing insurers back.

I can say without a doubt, our efforts were successful. I have witnessed firsthand how this program has helped New York City recover and prosper over the past 12 years. TRIA has provided thousands of small businesses with the certainty needed to manage long-term costs, grow reliably, and create new jobs. In fact, the program has tripled the number of small businesses that have terrorism protection since 2002. Today, over 60 percent of firms now have coverage.

TRIA also ensures rates remain affordable. Under the program, terrorism coverage averages just 3 to 5 percent of a small business' annual insurance premium.

Is today's bill perfect? No, but it will restore certainty to the marketplace and prevent a rate spike that could force two-thirds of small businesses to stop carrying coverage.

Mr. Speaker, the Government Accountability Office has stated that terrorism remains an uninsurable risk. In light of such findings, the Terrorism Risk Insurance Program continues to be a vital component of our economic growth and national security. I urge my colleagues to support this bill.

Mr. HENSARLING. Mr. Speaker, I am prepared a yield a small amount of time to any Democrat Member on the floor who intends to vote ''no'' on S. 2244, as amended, because I have not heard one say that yet.

Mr. Speaker, I have no takers.

I yield 1 minute to the gentleman from Missouri (Mr. LUETKEMEYER), who is the incoming chairman of our Housing and Insurance Subcommittee.

Mr. LUETKEMEYER. Mr. Speaker, I thank Chairman HENSARLING and Chairman NEUGEBAUER for their tireless work on this important issue, and I tell my colleagues that while TRIA is an important program, it is also in need of reform. This bill that we are considering today does just that in a responsible way, and I urge support of it.

Let there be no mistake: this bill reforms the TRIA program. It takes important steps to protect taxpayer dollars and ensure that industry has more skin in the game. Also, I remind my colleagues that without TRIA, it is entirely possible that taxpayers would be on the hook for the entire bill in the wake of a terrorist attack. This legislation includes a strong recoupment mechanism and a higher threshold for Federal assistance, building a program that has a long-term reauthorization with greater protections for taxpayers.

The legislation we are considering today, however, does more than reauthorize TRIA. It also contains important language to ensure derivative end users, including farmers, ranchers, utilities, airlines, and small businesses, can lock in prices, remove volatility from the marketplace, and keep consumer prices stable.

Without this fix, those farmers, ranchers, and Main Street businesses will have to post margin against trades they enter into for the sole purpose of managing their commercial risk.

Mr. Speaker, I urge passage and support of this bill.

Ms. WATERS. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. MEEKS).

Mr. MEEKS. Mr. Speaker, I would like to thank the ranking member for her hard work and focus and dedication for getting this done. I know that any time you have things added to a bill so it is not a clean bill, it makes it difficult. But I thank her and the chairman for working together to make this happen because this is a major bill, significantly important.

As we learned, I think, from the impact of the 9/11 terrorist attacks, this was substantial. When you look at the losses, it was about $32.5 billion, or $42.9 billion in 2013 dollars. It was the largest insurance loss in global history at that time. And prior to 9/11, insurance companies generally covered all of the costs of terrorist attacks. After 9/11, terrorism risk insurance quickly became either unavailable or very, very expensive and unaffordable. Furthermore, premiums for workers' compensation insurance increased significantly, and real estate and commercial ventures were stalled because of an inability to attain the requisite insurance coverage.

Now, 9/11 happened in New York, and so, yes, you see New York and New York City Members here supporting the bill. But this is not a bill just about New York. It is about all of America because they did not attack for New York; they attacked New York because it was part of America. We don't know, and we pray that we don't have another attack ever on our homeland again, but it could be someplace else. It doesn't have to be New York. This is when we should rally around as Americans, as patriots, to ensure that we continue our economy flowing and moving. That is why, even though there are things added and certain things that people don't like, we are trying to figure out how we get this right because it is too important to America to allow TRIA to expire.

Furthermore, when you examine TRIA, it costs taxpayers virtually nothing, yet it continues to provide tangible benefits to our overall economy. TRIA allows for terrorism insurance market stability, affordability, and availability so that those in business, et cetera, can know, predict, and be confident that we will continue to move on. TRIA is a critical part of the U.S. economy's security infrastructure and would ensure a swift recovery in the event of a significant terrorist attack.

Now, in New York, I am proud we have the Freedom Towers up because it also sends a message, is a symbol to those who don't like us that you can't keep us down, that we will get back up on our feet, stronger and better than ever, and that is what makes this country the great country that we are going to rally around and work with one another.

So this TRIA bill is significantly important, and I ask my colleagues to vote ''yes'' on TRIA.

Mr. HENSARLING. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. DUFFY), the incoming chairman of the Oversight and Investigations Subcommittee.

Mr. DUFFY. Mr. Speaker, first I want to commend the chairman of the Financial Services Committee for his tenacity and hard work to make sure the American taxpayer is protected, on the hook just a little bit less for the next terrorism attack that could happen in our country, and the private sector is on a little bit more.

I am encouraged by this bipartisan bill because it ensures that my constituents in central, northern, and western Wisconsin can purchase affordable terrorism risk insurance. This 6-year reauthorization is a backstop for all Americans. This is not just a bill for New York, as my friends have mentioned, or Chicago or L.A., but it helps

small town America. If you have a small mall in your community or for Lambeau Field in Green Bay, Wisconsin, they can purchase terrorism risk insurance. The reauthorization of this program is incredibly important.

I want to note one other important part, and that is the requirement that we have a community banker as part of the Federal Reserve, making sure that as the Fed goes in to a larger role with rules and regulations, they have a perspective and a view that takes into account small community banks all around America that right now are being crushed by overburdensome rules and regulations.

I commend the chairman on the bill.

Ms. WATERS. Mr. Speaker, I reserve the balance of my time.

Mr. HENSARLING. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. STIVERS), a valued member of our committee.

Mr. STIVERS. Mr. Speaker, I would like to thank the chairman for yielding me this time. I appreciate his work on this very important bill, as well as the work of the subcommittee chairman, Mr. NEUGEBAUER, for this 6-year reauthorization of the terrorism risk insurance bill.

This bill protects taxpayers by reforming the program to reduce potential taxpayer costs associated with the terrorism risk reinsurance program. It builds capacity in the private insurance market, and it ensures access to terrorism insurance for communities like mine in Columbus, Ohio, and southern Ohio, as well as all around America.

The bill provides meaningful reforms by reducing the government's share of losses over time, by increasing the triggering amount over time, and ensuring that the Federal recoupment is increased over time. It also provides important transparency on data collection that will in the future let us know how much money insurance companies are billing for terrorism coverage and what the potential exposure is for terrorism losses. Those are all good things. The other thing that is good is it will build capacity in the private marketplace. When we increase the trigger, we build capacity in the private marketplace.

But the most important thing is the certainty this bill creates. A multiyear reauthorization ensures that businesses across Ohio and across the entire country get access to terrorism insurance for multiple years. It creates certainty. It is good for jobs, and it is good for commercial development and construction. I think this bill is a very important reform and a great move forward.

I again want to applaud the chairman for all of his work on it, and I applaud the bipartisan support this bill is getting today. I urge my colleagues to vote in favor of the bill.

Mr. HENSARLING. Mr. Chairman, how much time remains?

The SPEAKER pro tempore. The gentleman from Texas has 7½ minutes remaining. The gentlewoman from California has 6½ minutes remaining.

Ms. WATERS. I reserve the balance of my time to close.

Mr. HENSARLING. Mr. Speaker, in that case, I now yield 2 minutes to the gentleman from Illinois (Mr. HULTGREN), a member of the Financial Services Committee.

Mr. HULTGREN. Mr. Speaker, I rise in support of the TRIA amendment to the Senate bill S. 2244 and overall reauthorization, and I really would like to commend Chairman HENSARLING and his staff for their hard work throughout this process.

TRIA's reauthorization is not a Wall Street or big business issue; I believe it is a conservative issue. Illinois and American jobs and prosperity are at stake. If TRIA is not authorized, Illinois' small insurers may be subject to costly rating downgrades or have to exit certain insurance markets altogether, leaving customers in the lurch. In the event of an attack, potential targets like Soldier Field or Chicago skyscrapers would be left without protection for massive economic losses.

TRIA protects the taxpayers because it sets the terms of how our country will cover losses before, instead of after, a terrorist attack.

The Rand Institute has estimated that it protects our taxpayers by as much as $7 billion. TRIA also ensures the continued viability of long-term construction projects. One estimate found that for the first 14 months after the 9/11 attack, $15.5 billion of real estate projects in 17 States were stalled or canceled because of continuing scarcity of terrorism insurance. So this backstop either costs very little if it is never used, or it saves taxpayers money if it is.

Each program deserves continuous oversight and periodic review, and TRIA is no different. I commend Chairman HENSARLING for his commitment to examine the program. I believe that this reauthorization contains conservative reforms that protect the taxpayers from excessive loss and still ensures a functioning terrorism insurance market that doesn't punish businesses—such as Illinois' small insurers—for offering this much-needed terrorism insurance. The end user provision passed by the Financial Services Committee with unanimous support sailed through the House with 411 votes. Congress should come together to support reasonable, bipartisan reforms that provide much-needed relief for Main Street America.

Mr. HENSARLING. Mr. Speaker, I yield 1½ minutes to the gentleman from North Carolina (Mr. PITTENGER), a member of the Financial Services Committee.

Mr. PITTENGER. Mr. Speaker, I rise in support of the bipartisan Terrorism Risk Insurance Program Reauthorization, known as TRIA.

I would like to commend Chairman HENSARLING and Congressman NEUGEBAUER.

TRIA does not curtail terrorism, but this legislation does protect taxpayers, promotes stable markets, and enhances economic certainty in the face of terrorism.

Another important provision included in this legislation is the bipartisan legislation known as the Business Risk Mitigation and Price Stabilization Act, which the House has passed by 411–12. This is a basic but very important clarification to the highly regulatory Dodd-Frank Act. This reform will ensure that end users, such as manufacturers, ranchers, and small companies, are not subject to the burdensome margin and capital surcharge requirements imposed by the Dodd-Frank Act.

□ 1615

Even the creators of Dodd-Frank have argued in favor of exempting these end users from margin requirements.

Without this essential clarification, small Main Street businesses will have to post additional margins against trades that they enter into for the sole purpose of managing commercial risk.

These transactions do not pose a systemic risk to our financial systems, and they did not cause the 2008 financial crisis. A failure to address this issue will cause serious harm to the Main Street economy.

Instead of investing and expanding their business to create jobs, small business owners are being forced to direct resources to comply with more burdensome and unnecessary regulations coming out of Washington.

This is not a controversial issue. This is a bipartisan provision that 181 Democrats in Congress have already voted for in support. We must not play politics with something as important as TRIA, and I urge my colleagues to support this legislation.

Mr. HENSARLING. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. GRIMM), who for months has played a leading role in bringing both the TRIA title and the end user exemption title to S. 2244.

Mr. GRIMM. Mr. Speaker, I rise today in strong support of this legislation.

But before I begin, I would like to say a very special thank you to Chairman JEB HENSARLING for his outstanding leadership on this bill, as well as Chairman NEUGEBAUER and Ranking Member WATERS.

I am proud to have worked so long and so hard in what I would say was truly a bipartisan manner, so let me also thank and acknowledge my senior Senator from New York, CHUCK SCHUMER, for his tireless efforts and for making TRIA reauthorization one of his top priorities.

I also want to thank my good friend and colleague from New York, PETER KING, for being such a champion on this issue.

As someone who witnessed the tragedy of 9/11 firsthand, and as a Member

whose district saw the greatest loss of life during the September 11 attacks, I know all too well the destruction and the suffering that is caused by terrorism. However, as a proud New Yorker, I have also seen the tremendous recovery, a recovery that has taken place since that fateful day. But in order to ensure that such a recovery would be possible in the face of, God forbid, a future attack on our country, as well as to ensure the further economic development across the United States, we must ensure the continuation of TRIA and the vitally important insurance coverage that it provides to projects and facilities that create so many American jobs, like the pending Hudson Yards project in Manhattan, or the Barclay's Center in Brooklyn, as well as our hospitals and universities, such as the Staten Island University Hospital and the College of Staten Island.

I would also like to add my strong support for the inclusion of my legislation, the Business Risk Mitigation and Price Stabilization Act, which passed, I believe, this House with 411 votes right here in this Chamber and does anything but undermine Dodd-Frank. In fact, what it does, it will actually ensure that commercial end users of derivatives contracts will not be subject to costly and unnecessary margin requirements that needlessly tie up capital and impede job creation.

With that, I strongly urge my colleagues to support this critical, commonsense legislation.

Ms. WATERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Chairman and Members, I am pleased that I had an opportunity to be on the floor today managing this legislation on behalf of my caucus. I am pleased that I was able to shine some light and create some transparency on what has transpired over a long period of time. I am sorry that it had to take this long. I am sorry that my chairman at first refused to support reauthorization. He finally came around and that is good. The negotiations took place and there was a compromise. That compromise is not everything certainly that we would have wanted, but at least it is a compromise that will allow terrorism risk insurance program reauthorization. That is extremely important for all of the reasons that you have heard on the floor here today.

I want to say to my friends on the opposite side of the aisle—some of whom I talked with when it was unclear what the chairman was going to do—I am so pleased that we have been able to relieve your anxiety about what was going to happen. I know that many of you early on were in support of the reauthorization of the terrorism risk insurance program just as it had been framed in the Senate.

So now we are at the point where we have flushed out the fact that this terrorism risk insurance program reauthorization is needed, that businesses and our citizens deserve it, and they should have it. We have also flushed out that adding to this legislation a Dodd-Frank concern was not necessary. It is this kind of interference with the process that oftentimes causes confusion. We would hope that this kind of legislating would not continue.

Let's take up these issues in a way that they are clear, that they can be debated, that we can hear from both sides of the aisle, we can hear the pros and cons, without having to drag it out until the last moment when we feel that you have the opposition up against a wall and they have no choice but to accept whatever you have done because you have a legitimate issue that is before us, even when that issue is attached to something that has nothing to do with that main issue.

Having said that, I am going to move on because we still have work to do as we move toward trying to make sure that we do not shut down this government, that we have the omnibus bill to fund the government and to keep it operating. I am going to move on to deal with the fact that just as this was inserted, the end user provision was inserted in this bill.

In the omnibus bill, we have an even more difficult situation to try and resolve. As a matter of fact, we know that our citizens are at great risk because there is an attempt to repeal an important part of the Dodd-Frank legislation. There is an attempt to make sure that somehow the biggest banks in America have an opportunity to use the taxpayers' dollars to do risky trading and put the taxpayers at risk one more time of having to bail out these institutions that have used the taxpayers' money that was protected by FDIC, have used their money to do this risky trading.

We simply ask in Dodd-Frank for some of these trades, for some of these derivatives trading ideas, not to be placed in such a fashion that they would cause us to have to say to our consumers and our taxpayers, once again, we are going to have to bail out some big bank because they have failed. We need to protect our consumers, we need to protect our taxpayers. All they have to do is push out, push out these derivatives into their subsidies where they don't have the taxpayers' protection.

So I am going to be working on that. I am going to stand here today and say to my chairman, I am going to ask for an ''aye'' vote on the Terrorism Risk Insurance Program Reauthorization Act, and I am going to vote for it. Will you work with me to pay attention to the omnibus bill and help me to negotiate tonight to get out of that bill the risky trading that is now being put back in the bill, the same bill that came through our committee, that was written by Citicorp, that would allow this to happen? Will you work with me to try and prevent this from happening and prevent another bailout of the biggest banks in America with taxpayers' dollars? I am going to support TRIA. Will the gentleman support me getting rid of that in the omnibus bill?

Mr. HENSARLING. Will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from Texas for the answer.

Mr. HENSARLING. I would point out to the gentlewoman, as I think she knows, it was the Democrat Senate who I believe is putting this in the bill, so perhaps she could negotiate that with Senator SCHUMER.

Ms. WATERS. The gentleman knows that he was involved in the negotiation for placing that in the omnibus bill. I have raised a question with you, even though you are saying you had nothing to do with——

Mr. HENSARLING. Will the gentlewoman yield on that one point?

Ms. WATERS. Reclaiming my time, I simply asked the gentleman if he would join me in helping, whether he was part of the negotiations or not, as the chair of the Financial Services Committee, where this is one of the biggest issues that we have been confronted with. I know that you care enough about the consumers that you would not want them to have to bail out another AIG, another big bank. I know that you don't want that. I am simply saying that I am going to support the reauthorization of terrorism risk insurance. Will the gentleman support helping to get rid of that risky derivative trading opportunity that has been placed into the omnibus bill by your side of the aisle?

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. HENSARLING. Mr. Speaker, I yield myself the balance of the time.

I am glad that the ranking member has had yet another change of heart from her opposition to S. 2244, as amended, that she articulated last evening. It is fascinating to me that as she characterizes other Members of Congress as unpredictable, I guess it is somewhat predictable now that she will change her opinion. I am glad she did.

Rarely have I seen in my congressional career a Member of the House come to the floor quite so vociferous and quite so grumpy about a bill that they have previously supported and now ultimately choose to support. Regrettably, frequently when the ranking member comes to the floor, we enter into a fact-free zone.

I have not been involved in any of the negotiations on the omnibus. If I were involved, we would have far more Dodd-Frank relief in there, since it is a bill that was aimed at Wall Street, hits Main Street, and working men and women across our country are collateral damage. Our economy has slowed down, families can't find work, they have no financial security because of what Dodd-Frank is doing—the sheer weight, volume, complexity load of the regulatory burden. As unelected, unaccountable bureaucrats try to run this economy, they have run it into the ground.

Be that as it may, I look forward to working with the ranking member so that we can get more Dodd-Frank relief to Americans and get this country back to work.

Finally, I once again wish to thank and offer my gratitude to the gentleman from Texas, Chairman NEUGEBAUER, whose leadership in bringing this bill to the floor was indispensable. He has been a rock throughout these proceedings. Every Member who supports the end user exemption, who supports the TRIA compromise, owes an incredible debt of gratitude to Chairman NEUGEBAUER of Lubbock, Texas. I am proud to serve with him on the House Financial Services Committee.

I urge an ''aye'' vote for all Members of Congress on S. 2244, as amended, and I yield back the balance of my time.

Mr. LUCAS. Mr. Speaker, I am pleased to see the inclusion of H.R. 634, the Business Risk Mitigation and Price Stability Act, as Title III of the Terrorism Risk Insurance Program Reauthorization Act. This language, which was also included in H.R. 4413, the Customer Protection and End-User Relief Act, provides an important protection to end-users from costly margining requirements that will divert need capital away from job creation.

I support of this title, I would like to request that the pertinent portions of the Committee on Agriculture report to accompany H.R. 4413 be included in the appropriate place in the CONGRESSIONAL RECORD.

TITLE 3—END-USER RELIEF

SUBTITLE A—END-USER EXEMPTION FROM MARGIN REQUIREMENTS

Section 311—End-user margin requirements

Section 311 amends Section 4s(e) of the Commodity Exchange Act (CEA) as added by Section 731 of the Dodd-Frank Act to provide an explicit exemption from margin requirements for swap transactions involving end-users that qualify for the clearing exception under 2(h)(7)(A).

''End-users'' are thousands of companies across the United States who utilize derivatives to hedge risks associated with their day-to-day operations, such as fluctuations in the prices of raw materials. Because these businesses do not pose systemic risk, Congress intended that the Dodd-Frank Act provide certain exemptions for end-users to ensure they were not unduly burdened by new margin and capital requirements associated with their derivatives trades that would hamper their ability to expand and create jobs.

Indeed, Title VII of the Dodd-Frank Act includes an exemption for non-financial end-users from centrally clearing their derivatives trades. This exemption permits end-users to continue trading directly with a counterparty, (also known as trading ''bilaterally,'' or over-the-counter (OTC)) which means their swaps are negotiated privately between two parties and they are not executed and cleared using an exchange or clearinghouse. Generally, it is common for non-financial end-users, such as manufacturers, to avoid posting cash margin for their OTC derivative trades. End-users generally will not post margin because they are able to negotiate such terms with their counterparties due to the strength of their own balance sheet or by posting non-cash collateral, such as physical property. End-users typically seek to preserve their cash and liquid assets for reinvestment in their businesses. In recognition of this common practice, the Dodd-Frank Act included an exemption from margin requirements for end-users for OTC trades.

Section 731 of the Dodd-Frank Act (and Section 764 with respect to security-based swaps) requires margin requirements be applied to swap dealers and major swap participants for swaps that are not centrally cleared. For swap dealers and major swap participants that are banks, the prudential banking regulators (such as the Federal Reserve or Federal Deposit Insurance Corporation) are required to set the margin requirements. For swap dealers and major swap participants that are not banks, the CFTC is required to set the margin requirements. Both the CFTC and the banking regulators have issued their own rule proposals establishing margin requirements pursuant to Section 731.

Following the enactment of the Dodd-Frank Act in July of 2010, uncertainty arose regarding whether this provision permitted the regulators to impose margin requirements on swap dealers when they trade with end-users, which could then result in either a direct or indirect margin requirement on end-users. Subsequently, Senators Blanche Lincoln and Chris Dodd sent a letter to then-Chairmen Barney Frank and Collin Peterson on June 30, 2010, to set forth and clarify congressional intent, stating:

The legislation does not authorize the regulators to impose margin on end-users, those exempt entities that use swaps to hedge or mitigate commercial risk. If regulators raise the costs of end-user transactions, they may create more risk. It is imperative that the regulators do not unnecessarily divert working capital from our economy into margin accounts, in a way that would discourage hedging by end-users or impair economic growth.

In addition, statements in the legislative history of section 731 (and Section 764) suggests that Congress did not intend, in enacting this section, to impose margin requirements on nonfinancial end-users engaged in hedging activities, even in cases where they entered into swaps with swap entities.

In the CFTC's proposed rule on margin, it does not require margin for un-cleared swaps when non-bank swap dealers transact with non-financial end-users. However, the prudential banking regulators proposed rules would require margin be posted by non-financial end-users above certain established thresholds when they trade with swap dealers that are banks. Many of end-users' transactions occur with swap dealers that are banks, so the banking regulators' proposed rule is most relevant, and therefore of most concern, to end-users.

By the prudential banking regulators' own terms, their proposal to require margin stems directly from what they view to be a legal obligation under Title VII. The plain language of section 731 provides that the Agencies adopt rules for covered swap entities imposing margin requirements on all non-cleared swaps. Despite clear congressional intent, those sections do not, by their terms, exclude a swap with a counterparty that is a commercial end-user. By providing an explicit exemption under Title VII through enactment of this provision, the prudential regulators will no longer have a perceived legal obligation, and the congressional intent they acknowledge in their proposed rule will be implemented.

The Committee notes that in September of 2013, the International Organization of Securities Commissions (IOSCO) and the Bank of International Settlements published their final recommendations for margin requirements for uncleared derivatives. Representatives from a number of U.S. regulators, including the CFTC and the Board of Governors of the Federal Reserve participated in the development of those margin requirements, which are intended to set baseline international standards for margin requirements. It is the intent of the Committee that any margin requirements promulgated under the authority provided in Section 4s of the Commodity Exchange Act should be generally consistent with the international margin standards established by IOSCO.

On March 14, 2013, at a hearing entitled ''Examining Legislative Improvements to Title VII of the Dodd-Frank Act,'' the following testimony was provided to the Committee with respect to provisions included in Section 311:

In approving the Dodd-Frank Act, Congress made clear that end-users were not to be subject to margin requirements. Nonetheless, regulations proposed by the Prudential Banking Regulators could require end-users to post margin. This stems directly from what they view to be a legal obligation under Title VII. While the regulations proposed by the CFTC are preferable, they do not provide end-users with the certainty that legislation offers. According to a Coalition for Derivatives End-Users survey, a 3% initial margin requirement could reduce capital spending by as much as $5.1 to $6.7 billion among S&P 500 companies alone and cost 100,000 to 130,000 jobs. To shed some light on Honeywell's potential exposure to margin requirements, we had approximately $2 billion of hedging contracts outstanding at year-end that would be defined as a swap under Dodd-Frank. Applying 3% initial margin and 10% variation margin implies a potential margin requirement of $260 million. Cash deposited in a margin account cannot be productively deployed in our businesses and therefore detracts from Honeywell's financial performance and ability to promote economic growth and protect American jobs.—Mr. James E. Colby, Assistant Treasurer, Honeywell International Inc.

On May 21, 2013, at a hearing entitled ''The Future of the CFTC: Market Perspectives,'' Mr. Stephen O'Connor, Chairman, ISDA, provided the following testimony with respect to provisions included in Section 311:

Perhaps most importantly, we do not believe that initial margin will contribute to the shared goal of reducing systemic risk and increasing systemic resilience. When robust variation margin practices are employed, the additional step of imposing initial margin imposes an extremely high cost on both market participants and on systemic resilience with very little countervailing benefit. The Lehman and AIG situations highlight the importance of variation margin. AIG did not follow sound variation margin practices, which resulted in dangerous levels of credit risk building up, ultimately leading to its bailout. Lehman, on the other hand, posted daily variation margin, and while its failure caused shocks in many markets, the variation margin prevented outsized losses in the OTC derivatives markets. While industry and regulators agree on a robust variation margin regime including all appropriate products and counterparties, the further step of moving to mandatory IM [initial margin] does not stand up to any rigorous cost-benefit analysis.

Based on the extensive background that accompanies the statutory change provided explicitly in Section 311, the Committee intends that initial and variation margin requirements cannot be imposed on uncleared swaps entered into by cooperative entities if they similarly qualify for the CFTC's cooperative exemption with respect to cleared swaps. Cooperative entities did not cause the financial crisis and should not be required to

incur substantial new costs associated with posting initial and variation margin to counterparties. In the end, these costs will be borne by their members in the form of higher prices and more limited access to credit, especially in underserved markets, such as in rural America. Therefore the Committee's clear intent when drafting Section 311 was to prohibit the CFTC and prudential regulators, including the Farm Credit Administration, from imposing margin requirements on cooperative entities.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 775, the previous question is ordered on the bill, as amended.

The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. NEUGEBAUER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on the passage of the bill will be followed by 5-minute votes on suspending the rules and concurring in the Senate amendment to H.R. 4861; suspending the rules and concurring in the Senate amendment to H.R. 2719; and suspending the rules and concurring in the Senate amendment to H.R. 1204.

The vote was taken by electronic device, and there were—yeas 417, nays 7, not voting 10, as follows:

[Roll No. 557]

YEAS—417

Adams
Aderholt
Amodei
Bachmann
Bachus
Barber
Barletta
Barr
Barrow (GA)
Barton
Bass
Beatty
Becerra
Benishek
Bentivolio
Bera (CA)
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Black
Blackburn
Blumenauer
Bonamici
Boustany
Brady (PA)
Brady (TX)
Braley (IA)
Brat
Bridenstine
Brooks (AL)
Brooks (IN)
Brown (FL)
Brownley (CA)
Buchanan
Bucshon
Burgess
Bustos
Butterfield
Byrne
Calvert
Camp
Capito
Capps
Cárdenas
Carney
Carson (IN)
Carter
Cartwright
Cassidy
Castor (FL)
Castro (TX)
Chabot
Chaffetz
Chu
Cicilline
Clark (MA)
Clarke (NY)
Clawson (FL)
Clay
Cleaver
Clyburn
Coble
Coffman
Cohen
Cole
Collins (GA)
Collins (NY)
Conaway
Connolly
Conyers
Cook
Cooper
Costa
Cotton
Courtney
Cramer
Crawford
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Daines
Davis (CA)
Davis, Danny
Davis, Rodney
DeFazio
DeGette
Delaney
DeLauro
DelBene
Denham
Dent
DeSantis
DesJarlais
Deutch
Diaz-Balart
Dingell
Doggett
Doyle
Duffy
Duncan (SC)
Duncan (TN)
Edwards
Ellison
Ellmers
Engel
Enyart
Eshoo
Esty
Farenthold
Farr
Fattah
Fincher
Fitzpatrick
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foster
Foxx
Frankel (FL)
Franks (AZ)
Frelinghuysen
Fudge
Gabbard
Gallego
Garamendi
Garcia
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Goodlatte
Gosar
Gowdy
Graves (GA)
Graves (MO)
Grayson
Green, Al
Green, Gene
Griffin (AR)
Griffith (VA)
Grijalva
Grimm
Guthrie
Gutiérrez
Hahn
Hanabusa
Hanna
Harper
Harris
Hartzler
Hastings (FL)
Hastings (WA)
Heck (NV)
Heck (WA)
Hensarling
Herrera Beutler
Higgins
Himes
Hinojosa
Holding
Holt
Honda
Horsford
Hoyer
Hudson
Huelskamp
Huffman
Huizenga (MI)
Hultgren
Hunter
Hurt
Israel
Issa
Jackson Lee
Jeffries
Jenkins
Johnson (OH)
Johnson, E. B.
Johnson, Sam
Jolly
Jordan
Joyce
Kaptur
Keating
Kelly (IL)
Kelly (PA)
Kennedy
Kildee
Kilmer
Kind
King (IA)
King (NY)
Kingston
Kinzinger (IL)
Kirkpatrick
Kline
Kuster
Labrador
LaMalfa
Lamborn
Lance
Langevin
Lankford
Larsen (WA)
Larson (CT)
Latham
Latta
Lee (CA)
Levin
Lewis
Lipinski
LoBiondo
Loebsack
Lofgren
Long
Lowenthal
Lowey
Lucas
Luetkemeyer
Lujan Grisham (NM)
Luján, Ben Ray (NM)
Lummis
Lynch
Maffei
Maloney, Carolyn
Maloney, Sean
Marchant
Marino
Matheson
Matsui
McAllister
McCarthy (CA)
McCarthy (NY)
McCaul
McCollum
McDermott
McGovern
McHenry
McIntyre
McKeon
McKinley
McMorris Rodgers
McNerney
Meadows
Meehan
Meeks
Meng
Messer
Mica
Michaud
Miller (MI)
Miller, George
Moore
Moran
Mullin
Mulvaney
Murphy (FL)
Murphy (PA)
Nadler
Napolitano
Neal
Neugebauer
Noem
Nolan
Norcross
Nugent
Nunes
Nunnelee
O'Rourke
Olson
Owens
Palazzo
Pallone
Pascrell
Pastor (AZ)
Paulsen
Payne
Pearce
Pelosi
Perlmutter
Perry
Peters (CA)
Peters (MI)
Peterson
Petri
Pingree (ME)
Pittenger
Pitts
Pocan
Poe (TX)
Polis
Pompeo
Posey
Price (GA)
Price (NC)
Quigley
Rahall
Rangel
Reed
Reichert
Renacci
Ribble
Rice (SC)
Richmond
Rigell
Roby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross
Rothfus
Roybal-Allard
Royce
Ruiz
Runyan
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salmon
Sánchez, Linda T.
Sanchez, Loretta
Sanford
Sarbanes
Scalise
Schakowsky
Schiff
Schneider
Schock
Schrader
Schwartz
Schweikert
Scott (VA)
Scott, Austin
Scott, David
Serrano
Sessions
Sewell (AL)
Shea-Porter
Sherman
Shimkus
Shuster
Simpson
Sinema
Sires
Slaughter
Smith (MO)
Smith (NE)
Smith (NJ)
Smith (TX)
Southerland
Speier
Stewart
Stivers
Stutzman
Swalwell (CA)
Takano
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiberi
Tierney
Tipton
Titus
Tonko
Tsongas
Turner
Upton
Valadao
Van Hollen
Vargas
Veasey
Vela
Velázquez
Visclosky
Wagner
Walberg
Walden
Walorski
Walz
Wasserman Schultz
Waters
Waxman
Weber (TX)
Webster (FL)
Welch
Wenstrup
Westmoreland
Whitfield
Williams
Wilson (FL)
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Yarmuth
Yoder
Yoho
Young (AK)
Young (IN)

NAYS—7

Amash
Broun (GA)
Jones
Massie
McClintock
Sensenbrenner
Stockman

NOT VOTING—10

Campbell
Capuano
Duckworth
Granger
Hall
Johnson (GA)
Miller (FL)
Miller, Gary
Negrete McLeod
Smith (WA)

□ 1656

Mr. THOMPSON of Mississippi changed his vote from ''nay'' to ''yea.''

So the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEARS 2014 AND 2015

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and concur in the Senate amendment to the bill (H.R. 4681) to authorize appropriations for fiscal years 2014 and 2015 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. ROGERS) that the House suspend the rules and concur in the Senate amendment.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 325, nays 100, not voting 9, as follows:

[Roll No. 558]

YEAS—325

Adams
Aderholt
Amodei
Bachmann
Bachus
Barber
Barletta
Barr
Barrow (GA)
Barton
Beatty
Becerra
Benishek
Bera (CA)
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Black
Blackburn
Boustany
Brady (PA)
Brady (TX)
Braley (IA)
Brooks (IN)
Brown (FL)
Brownley (CA)
Buchanan
Bucshon
Bustos
Butterfield
Byrne
Calvert
Camp
Capito
Capps
Cárdenas
Carney
Carson (IN)
Carter
Cartwright
Cassidy
Castor (FL)
Castro (TX)
Chabot
Chaffetz
Cicilline
Clay
Cleaver
Clyburn
Coble
Coffman
Cole
Collins (GA)
Collins (NY)
Conaway
Connolly
Cook
Cooper
Costa
Cotton
Courtney
Cramer
Crawford
Crenshaw
Crowley
Cuellar
Culberson
Daines
Davis (CA)
Davis, Danny
Davis, Rodney
DeGette
Delaney
DeLauro
Denham
Dent
DeSantis
Deutch
Diaz-Balart
Dingell
Duffy
Edwards
Ellison
Ellmers
Engel
Enyart
Esty
Farenthold
Fattah
Fincher
Fitzpatrick
Fleischmann
Fleming
Flores
Forbes
Fortenberry
Foster
Foxx
Frankel (FL)
Franks (AZ)
Frelinghuysen