



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 6, 2017
(House)

STATEMENT OF ADMINISTRATION POLICY

Substitute Amendment to H.R. 10 – Financial CHOICE Act of 2017 (Rep. Hensarling, R-TX)

The Administration is committed to reforming the Nation's financial system. On February 3, 2017, the President signed Executive Order 13772, Core Principles for Regulating the United States Financial System. The Administration's Core Principles include: (1) preventing taxpayer-funded bailouts; (2) fostering economic growth; (3) making regulation efficient, effective, and appropriately tailored; and (4) restoring public accountability within Federal financial regulatory agencies.

The substitute amendment to H.R. 10, the Financial CHOICE Act, reflects the Administration's Core Principles in several key respects. It aims to eliminate taxpayer bailouts, simplify regulation, hold financial regulators accountable, and foster economic growth by facilitating capital formation. In particular, H.R. 10 would allow well-capitalized banking organizations to opt out of certain regulatory requirements, affirm the President's authority to remove the Director of the Consumer Financial Protection Bureau (CFPB) at will, subject the CFPB to the congressional appropriations process, require broader use of cost-benefit analysis by financial regulators, and provide regulatory relief for community financial institutions. The Administration supports these provisions, and looks forward to working with Congress to undo additional mandates from the Dodd-Frank law that unnecessarily raise costs and limit choices for consumers.

The Administration's on-going review of financial regulation, including the reviews of the Secretary of the Treasury pursuant to Executive Order 13772, may yield additional views with respect to other provisions of H.R. 10.

The Administration thanks Chairman Jeb Hensarling for his leadership on the important issues addressed by the Financial CHOICE Act. The Administration supports passage of the substitute amendment to H.R. 10 as a necessary and important step in moving financial reform legislation through the Congress. Upon passage, the Administration looks forward to working with the Senate on arriving at a final piece of legislation.

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