



The Daily Whip

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WEDNESDAY, JULY 12, 2006

House Meets At...	Last Vote Predicted At...
10:00 a.m.: Legislative Business Unlimited "One Minutes"	3:00 – 4:00 p.m.

*(193rd Calendar Day of the Year – 58th Voting Day of the Year – 32 Voting Days until Target Adjournment)***FLOOR SCHEDULE AND BILL SUMMARY**

**** MEMBERS ARE STRONGLY URGED TO ATTEND TODAY'S DEMOCRATIC CAUCUS MEETING AT 9:00 AM IN THE CANNON CAUCUS ROOM.**

[H.Res. 906](#) – Rule Providing for consideration of [H.R. 2990](#) – Credit Rating Agency Act of 2005. The Rules Committee has recommended a rule that provides one hour of general debate, one motion to recommit with or without instructions, and makes in order two amendments.

[H.R. 2990](#) – Credit Rating Agency Act of 2005 (Rep. Fitzpatrick – Financial Services) (Subject to a Rule). This bill removes the Securities and Exchange Commission's (SEC) ability to designate nationally recognized statistical rating organizations (NRSROs) and establishes a voluntary registration process under which any entity whose primary business for the previous three years has been issuing publicly available ratings as eligible for registration to become an NRSRO. This bill authorizes the SEC to require disclosures of policies on conflicts and material non-public information, as well as of organizational structure and methodologies used in determining ratings and credit ratings performance measures over the short-, medium-, and long-term; and authorizes the SEC to prohibit abusive practices, to take action against an NRSRO that issues ratings that are not consistent with its stated methodologies, and to censure, suspend or revoke registration under certain circumstances. The bill explicitly limits the SEC's authority to regulate ratings or the procedures or methodologies used to determine ratings. No provision is made to allow the SEC to evaluate the quality of an NRSRO as part of the registration process.

- **Oxley Manager's Amendment (10 minutes).** To clarify that there is no private right of action for rating agencies registered as "Nationally Recognized Statistical Rating Organizations" or "NRSROs" under the Securities Exchange Act of 1934; allot to the Securities and Exchange Commission (SEC) an additional six months for a total of one year to review and, if necessary, revise its regulations that use the term "NRSRO;" and make a number of technical amendments clarifying definitions, findings, and disclosure requirements.
- **Kanjorski Amendment in the nature of a substitute (20 minutes).** To establish a globally consistent, market-based approach to rating agency oversight and protect investors by maintaining quality as a factor in identifying an NRSRO. The substitute requires the SEC to complete rulemaking on what constitutes an NRSRO within 60 days of enactment and establish guidelines for the process of identifying a new NRSRO within 180 days of enactment; encourages participants to complete discussions on a framework to improve market discipline and enhance rating quality, consistent with an internationally approved self-regulatory model; and requires annual hearings on rating agencies for 5 years before the House Financial Services Committee to review the effectiveness of reforms and need for further action.

Postponed Suspension Vote:

- 1) **[H.R. 5646](#)** – To study and promote the use of energy efficient computer servers in the United States (Rep. Rogers {MI} – Energy and Commerce)

Motion to go to Conference on [S. 250](#) - Carl D. Perkins Career and Technical Education Improvement Act of 2005. **Democratic Motion to Instruct Conferees.**

TOMORROW'S OUTLOOK

The GOP Leadership has announced the following schedule: on Thursday, the House will convene at 10:00 a.m. for legislative business and will consider **[H.R. 9](#) – Fannie Lou Hamer, Rosa Parks, and Coretta Scott King Voting Rights Act Reauthorization and Amendments Act of 2006** (Rep. Sensenbrenner – Judiciary) (Subject to a Rule).

Daily Quote...

"Forgive us if we don't break out the party hats. It is hard to get excited about an abysmally large deficit in the range of \$300 billion that is somewhat less gargantuan than earlier predicted. Even accepting the administration's assurances that it does not purposefully overestimate the numbers in a Wall Street-like game of beating expectations, this habitual mid-year crowing masks the seriousness of the nation's bleak fiscal outlook."

- *USAToday*, in an editorial this morning