



## Committee Update

January 21, 2015

### **NEC Financial Services Committee Meeting**

January 15, 2015 — 9:00 A.M.–10:30 A.M.

Fidelity Investments, Boston, MA

On January 15, 2015, the New England Council held its first Financial Services Committee meeting of the new year to identify issues/legislation to prioritize, develop goals, and discuss programing, meetings, and projects. The meeting was co-chaired by Jim Febeo of Fidelity Investments and Paul Giordano of Ironshore; the NEC staff contact is Christopher Averill.

### **Financial Services Committee 1/15/15 Meeting Minutes**

#### **2014 Year-in-Review Recap**

- Chris Averill opened the meeting by recapping the successes of the Financial Services Committee in the prior year. These include:
  - Member meetings with Reps. Capuano and Lynch
  - Meeting with SEC Commissioner Kara Stein as part of the Annual Spring Event in DC
  - Cybersecurity discussion with Comptroller of the Currency Tom Curry in Boston
  - Conference call with Chris Russell, a professional staff member for the House Financial Services Subcommittee on Capital Markets and Government Sponsored Enterprises.
  - Several letters from the New England Council regarding a variety of

- member priority topics to Congressional leaders and Federal agencies
- A full-court press on TRIA reauthorization, including a DC fly-in in November, letters to the editor from Jim Brett, and several letters to Congressional leaders urging them to find a way to pass a long-term reauthorization.
- Working to publish Another Penny Saved report on retirement savings with a number of other Council members.
- New NEC members for the Financial Services Committee include: Beacon Capital Partners, Blue Hill Bank, Boston Private Bank & Trust Co., Mutual of America, the Bank of Maine, and Paul Frank and Collins P.C.

### **Agenda for 2015 and the 114<sup>th</sup> Congress**

- In addition to Reps. Capuano, Lynch, and Himes, two newly elected members of the New England Congressional delegation were assigned to the Financial Services Committee and the Council is eager to begin working with them to tackle issues important to the region. Both Reps. Frank Guinta (R-NH) and Bruce Poliquin (R-ME) will be voices for New England in the majority, as well. Senators Elizabeth Warren and Jack Reed will be returning to the Senate Banking Committee. Committee members would also like to push the New England delegation to either author or co-sponsor favorable financial services bills.
- With that in mind, committee members identified a number of key issues for the Council to be active on this year, including:
  - **Export-Import Bank.** Securing a long term reauthorization of the Export-Import Bank (Ex-Im Bank) will continue to be a priority for the Council since the bank supports many businesses in the New England region. This effort will be headed up by the Council's Trade Working Group, with input from the Financial Services Committee.
  - **Dodd-Frank Act.** Committee members prioritized what issues within the Dodd-Frank Act they would like to address. Additionally, Committee members suggested that the focus of Council efforts should be placed on the lack of procedural transparency, consistency, and accountability as a way to find common ground within the Committee. Issues to address include:
    - Volcker Rule/CLO Extension
    - Broker-dealer rule
    - Covered funds/naming rule
    - SIFI Designation
    - Custody rule
    - Corporate Governance
    - Executive compensation

NEC staff will begin working with Council members to draft a document clarifying the Council's position on as many of these issues as possible.

- **Cybersecurity/Cyber issues.** Committee members would like to have a joint committee meeting or host an educational event panel with the Council's Technology Committee to discuss looming cybersecurity/privacy legislation and regulations. Committee members would also like to narrow down which cyber issues to focus on since there is a long list of possible issues to tackle.
- **Retirement Savings.** Members of the committee would like to explore the realm of tax policy related to retirement savings, particularly in light of any movement toward comprehensive tax reform in the 114<sup>th</sup> Congress.
- **Fiduciary Rule.** Committee members feel the Council should be aware of developments related to a fiduciary rule, and educate members of the Congressional delegation on the importance of the asset management industry in New England.
- **GSE Reform/Tax Reform.** Members would like Council staff to get a sense of where either of these efforts is headed in the 114<sup>th</sup> Congress, and what potential legislation might look like.

### **Programming & Events**

- **Washington DC Meeting**
  - Committee members expressed interest in meeting with elected officials, Congressional staff, and Committee staff involved with financial services policy during the Annual Spring Event. Committee members, especially those whose companies operate beyond the six New England states, would also like to reach out to members of Congress outside of the New England region who could help advance our agenda.
  - Prior to the Spring Event, Committee members said it would be helpful to create a list of contact information for staffers who work for New England delegation members of the House Financial Services and Senate Banking committees (note: this document is attached to this update) as well as a one page educational document conveying how essential financial services are to the regional economy.
  - Committee members suggested creating a survey asking participants to provide the Council with information, such as employment figures and financial literacy materials, to share with members on Congress and other policymakers highlighting the role financial services play in the regional economy.
  - Council staff will begin working with committee members on the generation of the survey and one-page document, as well as arranging speakers for the March event.
- **Programming**
  - The Committee would like to schedule quarterly in-person meetings supplemented by breakout committee meetings following Congressional Roundtable events, fly-ins, and conference calls with Congressional and

- Committee staff.
- Many Committee members expressed interest in hosting Committee meetings. We encourage those interested to convey that information to Council staff.

### **Additional Items of Interest**

- **Senator Warren**
  - Committee members shared their eagerness to find a way to work with Senator Warren and believe the Council is well suited to serve as a conduit between the Senator's office and the business community. The suggestion was made that the Council should consider working with the Senator on less contentious issues, such as financial literacy and community banking, in order to better foster a relationship with the office.
  - Committee members would like to meet with the Senator or her DC staff during the Annual Spring Event and with her MA based staff at another time (perhaps in conjunction with someone from Senator Markey's staff).
- **Marijuana Banking**
  - The Committee would like to keep upcoming marijuana banking bills on its radar since it is an issue that has been percolating with the financial services sector for some time since marijuana businesses are currently barred from accessing the financial system.
  - Committee members have discussed this issue with Senator Warren before, who received their concerns well, and this may represent an opportunity to build a relationship with the Senator.

### **Follow-Up**

If you have any questions, comments, or concerns about the Council's 2015 agenda – or if you were unable to attend the meeting but would like to provide input – please contact Chris Averill at [caverill@newenglandcouncil.com](mailto:caverill@newenglandcouncil.com) or 202-547-0048.