

Financial CHOICE Act 2.0 Passes House Financial Services Committee

May 8, 2017 | Client Update | 2-minute read

A revised version of the Financial CHOICE Act (commonly referred to as CHOICE Act 2.0) was passed by the House Financial Services Committee last week on a strictly partisan vote and will now move to a vote by the full House of Representatives. The HFSC majority has provided both an [Executive Summary](#) and a [Comprehensive Summary](#) of the bill on its website. Many of the concepts in CHOICE Act 2.0 are consistent with the Core Principles for Regulating the United States Financial System contained in the President's Executive Order of February 3, 2017 and could influence the work of the Treasury Secretary as he prepares to report to the President on the extent to which existing laws and regulations promote the Core Principles. Indeed, the Comprehensive Summary, with its highly developed arguments, copious explanations and resort to commentators from both sides of the aisle, seems expressly designed to influence the Treasury Secretary's ongoing work.

On the legislative front, the prospects of CHOICE Act 2.0 being approved in its current form by the Senate are slim, but Rep. Hensarling, Chairman of the House Financial Services Committee and the key sponsor of the bill, has indicated that he plans to work with the Senate to move portions of CHOICE Act 2.0 as narrower bills that might be more likely to gain Senate support. As a result, as the only developed bill in the mix, CHOICE Act 2.0 will likely continue to be the leading driver in the debates over how best to rebalance the financial regulatory landscape, and some portions of it may be reflected in Senate bills in the coming months.

The chart below summarizes the major provisions of CHOICE Act 2.0 by updating our [summary of the original CHOICE Act](#).

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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