WASHINGTON (March 26) – The House on Monday gave its approval to two bipartisan bills that originated in the House Financial Services Committee.The bills will help clarify and alleviate the burdens placed on job-creators by certain Dodd-Frank Act regulations.

“Washington continually shackles the private sector with punishing regulations that end up causing uncertainty and discouraging the creation of new jobs. The legislation we approved today will promote job creation by fixing some of these complex regulations that act as barriers to a full economic recovery,” said Rep. Spencer Bachus, the committee’s chairman. “It’s a good step forward in the right direction.”

The Financial Services Committee has led efforts to review the 400 new regulations that resulted from the Dodd-Frank Act passed by Congress in 2010. The two bills approved by the House today fix provisions found in the Act’s section dealing with the regulation of derivatives.

More information about the four Financial Services Committee bills approved by the House today appears below:

H.R. 2682, The Business Risk Mitigation and Price Stabilization Act
The Business Risk Mitigation and Price Stabilization Act provides clarity to the derivatives title of the Dodd-Frank Act by reconfirming the end-user exemption from margin and capital requirements. End-users are firms and companies that use derivatives to manage their risks, not to speculate.

During the debate on Dodd-Frank, lawmakers made their intent clear that the derivatives title was not meant to impose margin requirement on end users. Yet, regulators have interpreted the derivatives title to give them authority to impose margin requirements on end-users. H.R. 2682 was introduced by Reps. Michael Grimm, Gary Peters, Austin Scott, and William Owens.**H.R. 2779, introduced by Reps. Steve Stivers and Marcia Fudge**
H.R. 2779 provides an important clarification to the Dodd-Frank Act derivatives title, which treats inter-affiliate swaps the same as swaps between unrelated counterparties. Without correction, companies may face double the costs associated with hedging legitimate business risks. H.R. 2779 ensures entities under a common corporate ownership are able to appropriately manage risks without unnecessary costs. Under the legislation, inter-affiliate swaps will be exempt from the margin, clearing and reporting requirements of the Dodd-Frank

Act.