

**AMENDMENT IN THE NATURE OF A SUBSTITUTE TO
H.R. 3555
OFFERED BY MR. LOUDERMILK OF GEORGIA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Exchange Regulatory
3 Improvement Act”.

4 SEC. 2. FINDINGS.

5 The Congress finds the following:

6 (1) Over time, national securities exchanges
7 have expanded their businesses beyond listings and
8 trading to include the sale of additional products
9 and services to their members and listed companies.

10 (2) The Securities and Exchange Commission
11 should be transparent in its interpretation of the
12 term “facility” in section 3(a) of the Securities Ex-
13 change Act of 1934 (15 U.S.C. 78c(a)).

14 SEC. 3. FACILITY DEFINED.

15 (a) IN GENERAL.—Not later than 360 days after the
16 date of enactment of this Act, the Securities and Ex-
17 change Commission (the “Commission”) shall adopt regu-
18 lations to further interpret the term “facility” under sec-

1 tion 3(a) of the Securities Exchange Act of 1934. Such
2 regulations shall set forth the facts and circumstances the
3 Commission considers when determining whether any
4 premises or property, or the right to use any premises,
5 property, or service is or is not a facility of an exchange.

6 (b) APPLICATION TO PROPOSED RULES.—The Com-
7 mission shall apply the facts and circumstances set forth
8 in the regulations issued pursuant to subsection (a) in de-
9 termining whether any proposed rule is or is not required
10 to be submitted as a proposed rule filing pursuant to sec-
11 tion 19 of the Securities Exchange Act of 1934 and the
12 rules and regulations issued thereunder.

Amend the title so as to read: “A bill to require the Securities and Exchange Commission to issue regulations to further interpret the term ‘facility’ under the Securities Exchange Act of 1934.”.

