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RFA Outlook: July 2026

Overview

Congress returns this week from the Independence Day recess to a compressed pre-August work period. In the Senate, floor time will center on pending nominations and the National Defense Authorization Act (NDAA), and likely the CLARITY Act. We anticipate continued pressure from the Administration to advance the SAVE America Act, although the measure does not currently have a viable path forward. In addition, with the unfortunate passing of Senator Lindsey Graham, the Senate may undertake one of his top priorities by advancing Russia sanctions legislation which secured the President's support. However, with just three weeks of floor time, two bills on the agenda, and as many as three 30-hour nominations plus an en bloc nominations package, scheduling and sequence of the floor will be fluid.

In the House, leadership will attempt to process the National Security, Department of State and Related Programs Appropriations bill and potentially the NDAA. Additional appropriations bills are also possible. It remains unclear whether Speaker Johnson can resolve tensions with members such as Rep. Anna Paulina Luna (R-FL), who has withheld support in pursuit of a path to enactment for the SAVE Act, and Rep. Chip Roy (R-TX), who believes the Speaker reneged on a commitment to bring an immigration vote to the floor before the Fourth of July recess. On appropriations, all 12 Fiscal Year (FY) 2027 bills have cleared the House Appropriations Committee, and two have already passed the full House, while Senate work remains stalled. Besides government funding, several additional items must be resolved before the fiscal year ends September 30, including the Farm Bill, Export-Import Bank reauthorization, and Toxic Substances Control Act user fees.

Committee agendas remain active outside the floor calendar. Both the House Financial Services (HFSC) and Senate Banking Committees will hold oversight hearings this week with Federal Reserve Chair Kevin Warsh and Acting Consumer Financial Protection Bureau (CFPB) Director Russ Vought. The Banking Committee also expects to release updated digital asset market structure text this week ahead of a possible floor vote later this month. Brian Johnson's nomination to lead the CFPB remains pending with the expectation it can be completed before August, though this remains uncertain.

On trade, the Administration's Section 122 tariffs expire July 24, and USTR is weighing a Section 301 action targeting structural manufacturing overcapacity alongside several pending Section 232 national security investigations as replacement tracks. On AI and privacy, the House remains divided over which vehicle to advance, favoring narrower pieces of the Great American AI Act over a single package, while Sen. Marsha Blackburn (R-TN) negotiates a broader White House package pairing state preemption with her version of the Kids Online Safety Act (KOSA). Senate negotiations over permitting reform legislation to speed energy and mining projects are also ongoing.

Affordability remains the dominant political theme heading into the midterms, with Republicans touting the One Big Beautiful Bill Act, Trump Accounts, and the recently enacted housing package, while Democrats point to inflation and the rising gas prices tied to Iran's control over the Strait of Hormuz and lingering effects of the tariff wars.

Financial regulators continue to press ahead in parallel. The Securities and Exchange Commission (SEC) proposed repealing Rule 611's trade-through restrictions, which is expected to be finalized largely as proposed, and released its 2026 RegFlex agenda with 18 new rulemakings, including pay-to-play reform for investment advisers and an imminent proposal on electronic shareholder disclosures. The Commodity Futures Trading Commission (CFTC) is maintaining an aggressive pace of joint rulemaking with the SEC on portfolio margining and swap data reporting while continuing its litigation campaign against states over prediction market jurisdiction. The CFPB is expected to release a revised Section 1033 open banking proposal as soon as this month, and the Office of the Comptroller of the Currency (OCC) and Federal Deposit Insurance Corporation (FDIC) continue advancing GENIUS Act implementation and CRA reform. The Department of Labor's 401(k) alternative assets rule remains a priority ahead of the election.

Below, RFA provides our take on notable legislative, regulatory, and administrative activity for the current work period.

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Big Picture Items

FY2027 Appropriations Outlook

On the House side, all 12 FY2027 appropriations bills have now cleared the House Appropriations Committee, and two, Agriculture and Military Construction/VA, have passed the full House, as Republican leadership pushes each bill through individually rather than grouping them into minibus or omnibus packages in an effort to restore regular order. The House bills carry over $1.856 trillion in base discretionary funding, roughly 13% above the FY2026 enacted level, with the increases concentrated in defense and homeland security and offset by cuts to domestic accounts like Labor-HHS-Education and Transportation-HUD.

Senate work on the regular FY2027 appropriations bills remains stalled, and markups continue to slip further behind schedule. Appropriations Committee Chair Susan Collins (R-ME) and Vice Chair Patty Murray (D-WA) have yet to reach agreement on the foundational elements of a traditional appropriations deal, including top-line spending levels, protection of legacy riders, and a prohibition on poison-pill policy provisions, and until those questions are settled, individual bill markups are unlikely to move forward.

Notably, the President is seeking a $1.5 trillion defense budget for the fiscal year. The House Republican FY27 Defense Appropriations Act provides a total discretionary allocation of $1.072 trillion. Complicating matters further, the Administration submitted an $87.6 billion supplemental funding request to Congress on June 24, 2026, primarily to cover costs tied to the ongoing conflict with Iran. Of that total, $67.1 billion would go to the Department of Defense to refill military stockpiles, while the remaining $20.5 billion would fund a mix of priorities including additional support for the U.S. Coast Guard, temporary economic assistance to farmers, international affairs and humanitarian assistance, design and construction of a modernized Penn Station in New York City, continued restoration projects on the National Mall, and other Administration priorities such as nationwide enactment of E15.

It remains to be seen whether the supplemental and FY27 defense increases will become linked. There does not appear to be significant political momentum to move the supplemental request currently. Senate GOP leadership has floated adding other items, such as disaster aid, as a way to bring Democrats on board and build the votes needed for passage.

Policy Updates

Tax

Congressional Republicans continue to discuss the Reconciliation 3.0 package that could include a targeted tax title. Potential provisions include restoring tax items removed from the One Big Beautiful Bill Act (OBBBA), expanding the Section 199A passthrough deduction to 23%, and advancing additional Trump Administration tax priorities. It is possible that Reconciliation 3.0 is a vehicle to address defense spending needs if regular order is not possible in the Senate, which could then carry other measures, like tax.

Digital asset tax legislation has significant bipartisan momentum. Congress continues to work toward legislation providing tax certainty for digital assets, with bipartisan interest in addressing de minimis relief for small transactions, staking and mining income, wash sale rules, digital asset lending, and charitable contribution treatment. These provisions are viewed as strong candidates for year-end legislation.

A year-end bipartisan tax package remains a realistic legislative vehicle. If Congress completes a broader appropriations agreement later this year, lawmakers could attach a package that includes cryptocurrency tax provisions, SECURE 3.0 retirement legislation, traditional tax extenders, U.S.-Taiwan tax relief, and technical corrections to the OBBBA.

Treasury implementation will be as important as new legislation. Treasury and the IRS face an extensive regulatory agenda implementing the OBBBA, including guidance on international tax provisions, energy credit changes, accelerated depreciation, and the new deductions for tips and overtime. Businesses should expect significant regulatory activity throughout the remainder of the year.

International tax negotiations remain a key policy watchpoint. Congress and the Administration continue to monitor OECD Pillar Two negotiations and the implementation of the G7 “side-by-side” agreement. Lawmakers have also indicated that Section 899 or other retaliatory measures could return if foreign governments continue to pursue discriminatory Digital Services Taxes or fail to meet negotiated commitments.

Appropriations negotiations will likely determine the tax calendar. With government funding set to dominate Congress's fall agenda, any continuing resolution or year-end omnibus spending package could become the primary legislative vehicle for additional tax legislation before Congress shifts its focus toward the 2026 midterm elections.

Nominations

The Senate is expected to move an en bloc nominations package before leaving for the August recess. As a reminder, that move requires four votes and 30 hours of debate. Expect Leadership to call “pencils down” on nominations available for the package either by July 17th or early in the following week.

Senate Banking Committee

Brian Johnson's nomination to be Director of the CFPB remains the most closely watched nomination this month. If confirmed, Johnson would replace Acting Director Russell Vought, who has led the CFPB since 2025 and whose term expires August 1 due to the term limits set by the Federal Vacancies Reform Act. As the former House Financial Services Committee staffer who played a leading role in CFPB oversight, and later served as the Bureau’s Deputy Director, Johnson’s nomination suggests the White House views him as well positioned to recalibrate the CFPB’s regulatory and supervisory approach while moving away from the more aggressive enforcement posture that characterized the Chopra era.

On June 25, the Senate Banking Committee held hearings on the nominations of Dr. Christopher Phelan to serve as Chairman of the Council of Economic Advisers, Mr. John Crews to serve as a Member Designate of the National Credit Union Administration, and Mr. Jeffrey Ledbetter to serve as Inspector General Designate at the Department of Housing and Urban Development. The Committee is expected to vote later this month to advance the nominations to the full Senate, and include them and potentially Johnson in a pre-August recess nominations package.

Senate Finance Committee

Over in the Finance Committee, senators are scheduled to vote tomorrow on the nominations of Brett Doyle, David Foley Jr., Samuel Negatu, Peter-Anthony Pappas, and Bartholomew Thanhauser to serve as members of the United States International Trade Commission. On July 16, the committee is also scheduled to hold a hearing to consider the nominations of Francis Brooke to be Deputy Secretary of the Treasury, Erin Browne to be Under Secretary of the Treasury for International Affairs, Sriprakash Kothari to be Assistant Secretary of the Treasury for Economic Policy, and George McMaster to be Assistant Secretary of the Treasury for Financial Markets.

Another nomination worth watching includes James Gadwood's nomination to serve as Chief Counsel for the Internal Revenue Service (IRS) and Assistant General Counsel at the Department of the Treasury. The administration's initial nominee for the role, Don Korb, was withdrawn after facing criticism. Senate Finance Committee Ranking Member Ron Wyden (D-OR) has criticized Gadwood and signaled tough questioning ahead over tax enforcement, oversight, and what Wyden has characterized as favorable treatment toward President Trump and his family. Gadwood is still awaiting his nomination hearing.

Senate Judiciary Committee

Acting Attorney General Todd Blanche has been nominated to serve as the Attorney General. If Chairman Grassley (R-IA) can successfully report the nomination out of the Senate Judiciary Committee, it will be a top priority for consideration on the Senate Floor.

Senate Health, Education, Labor, and Pensions Committee

Acting Secretary of Labor Keith Sonderling has similarly been tapped to serve as Secretary of Labor. His work has been crucial to the Department's regulatory agenda thus far in the second Trump Administration and his confirmation would be a strong signal to the viability and implementation of the Department's rule providing safe harbor for 401(k) investment decisions.

Senate Select Committee on Intelligence

SSCI is awaiting the green light from the President to move Jay Clayton's nomination as the Director of National Intelligence. The Senate remains eager to confirm Clayton, though his nomination (like those of Blanche and Sonderling) would require up to 30 hours of debate.

Artificial Intelligence

The House Energy and Commerce Committee is expected to continue moving a data center bill, with a full committee markup scheduled for next week.

In the House, there is still no clear consensus on which AI vehicle to advance. The Obernolte-Trahan "Great American AI Act," a 269-page draft spanning frontier AI governance, workforce, cybersecurity, and research titles with a three-year state preemption window, is the most comprehensive option on the table, but leadership does not appear eager to move it as a single package, and the House Science Committee has instead advanced narrower pieces of it, such as the CAISI and NAIRR provisions, through markup.

Sen. Marsha Blackburn (R-TN) is leading negotiations with the White House on a broader AI package that may pick up state preemption language, though pairing preemption with other White House priorities could complicate Senate floor passage given the bipartisan support such a combined package would need.

Separately, the Federal Trade Commission voted on July 1 to seek public comment on a proposed policy statement addressing AI accuracy, aimed at ensuring AI developers disclose truthful information about model biases and limitations, and reportedly signaled to states that they should hold off on their own AI accuracy rules while the agency's process plays out, a move that landed just a day ahead of a compliance deadline tied to President Trump's frontier-AI executive order even as California and New Jersey moved forward with their own state AI laws regardless.

On the banking side, Federal Reserve Governor Michelle Bowman delivered opening remarks on July 7 on the Financial Stability Board's consultation report on "Sound Practices for Responsible Adoption of Artificial Intelligence," with the Fed collecting feedback through the FSB's comment period to help finalize the report later this year as a U.S. G-20 deliverable, adding a bank-specific AI governance track running parallel to the congressional and White House efforts.

Privacy

The House passed the KIDS Act on June 29, 2026, in a 267-117 vote, but its path in the Senate remains uncertain since the House version omits the "duty of care" standard that Senate backers, who passed their own KOSA 91-3 in 2024, consider essential. That gap continues to draw opposition from child safety advocates and sets up a difficult conference between the chambers over how far platform accountability requirements should extend.

Sen. Blackburn is also leading negotiations with the White House on kids' online privacy provisions as part of the broader package, including her own version of KOSA with a duty of care requirement, which could position the Senate to counter the House's narrower approach.

On comprehensive privacy, House Energy and Commerce has not yet scheduled committee action on the SECURE Data Act (H.R. 8413), despite a subcommittee hearing on the bill back in early June. The goal was to move something in July, and there is still a possibility of action in the final week before August recess, but negotiations with Democrats have not yet produced enough support, slowing committee progress.

Trade

The Office of the U.S. Trade Representative (USTR) is weighing next steps as the Administration's Section 122 tariffs, imposed under the Trade Act of 1974 to address large balance-of-payments problems or prevent serious dollar depreciation, are set to expire on July 24, 2026. Two main replacement tracks appear to be in process to fill that gap.

The first is a Section 301 action targeting "structural manufacturing overcapacity" across sixteen countries that together account for more than 75% of U.S. imports, paired with a parallel forced-labor enforcement track covering more than 60 economies under the heading "Acts, Policies, and Practices of Various Economies Related to the Failure to Impose and Effectively Enforce a Prohibition on the Importation of Goods Produced with Forced Labor." The second track consists of several outstanding Section 232 national security investigations that remain in process, covering pharmaceuticals and active pharmaceutical ingredients (APIs), semiconductors and data processing hardware, commercial aircraft, jet engines, and aerospace components, polysilicon, unmanned aircraft systems (drones), PPE, medical consumables, and medical equipment and devices, and robots and industrial machinery.

Separately, there is growing dissatisfaction with the Bureau of Industry and Security (BIS) at Commerce, which is likely to draw additional scrutiny from both Capitol Hill and within the Administration. Reporting indicates that licensing delays and a slower pace of Entity List additions have frustrated industry and lawmakers alike, fueling concerns that export control enforcement has stalled under current leadership.

Elections

Affordability will continue to be the top-line theme this cycle. Republicans are trying to sell wins from the Working Families Tax Cuts Act, Trump Accounts, a generational housing reform package, and other legislative actions taken by this Congress. Democrats, meanwhile, will try to downplay those wins amid inflation and rising gas prices tied to Iran's control over the Strait of Hormuz and the lingering effects of the tariff wars.

In the Senate, expect greater focus on four races in particular. Maine will draw attention amid the fallout from the Graham Platner replacement situation. Texas is in focus following posted Q2 fundraising totals. Alaska remains a storyline given the ongoing Dan Sullivan legal battles. Michigan rounds out the list, where the field remains unsettled heading into the fall.

RFA is happy to provide our Election Landscape slide deck for interested clients and to offer further analysis for those who would like to discuss any of these races in more depth.

Congressional Activity

House Financial Services Committee

The House Financial Services Committee has a busy hearing schedule for the remainder of July, front loaded with Federal Reserve Chair Kevin Warsh testifying Tuesday and Acting CFPB Director Vought testifying Wednesday. While we expect many questions to be raised on Warsh's positions on the Basel III Endgame capital rules, the Fed's new “skinny” master account proposal, Fed independence from White House pressure, and the path of monetary policy, we think Republicans will focus more on monetary policy issues than they usually do in these hearings with Warsh being so new to the Fed while Vought is likely to face pointed questions on the CFPB's rescission of dozens of guidance documents and rules, the scaled-back Section 1071 small-business lending data rule, staff furloughs, the status of a Section 1033 rule, and the bureau's efforts to roll back supervisory activity.

Rounding out July, the Committee turns to digital assets, illicit finance, and housing finance. Expect the CLARITY Act field hearing to spotlight crypto market structure ahead of Senate action, FinCEN oversight to cover the rollback of beneficial ownership reporting under the Corporate Transparency Act alongside sanctions and illicit finance enforcement, and the Federal Home Loan Bank hearing to examine the System's lending activity, membership eligibility, and affordable housing contributions under FHFA's new strategic plan.

Outside of hearings, the Committee continues its work on fighting scams and fraud, with a report being released on July 22 highlighting its investigation on scams and fraud from the past year. On the same day of the report’s release, Chairman French Hill (R-AR) and Oversight and Investigations Subcommittee Chairman Dan Meuser (R-PA) will hold a fireside chat entitled, “Protecting Your Finances: Keeping Americans Safe from Financial Fraud and Scams,” to review the Financial Services Committee’s efforts to combat scams and fraud.

Upcoming Hearings

- Tuesday, July 14: House Financial Services Committee — "The Federal Reserve's Semi-Annual Monetary Policy Report"
- Wednesday, July 15: House Financial Services Committee — "The Semi-Annual Report of the Bureau of Consumer Financial Protection"
- Friday, July 17: House Financial Services, Digital Assets, Financial Technology, and Artificial Intelligence Subcommittee — Field Hearing: "Building the Future of Finance: How the CLARITY Act Unlocks Innovation" (New York, NY)
- Tuesday, July 21: House Financial Services, National Security, Illicit Finance, and International Financial Institutions Subcommittee — "Oversight of the Financial Crimes Enforcement Network"
- Tuesday, July 21: House Financial Services, Housing and Insurance Subcommittee — "Oversight of the Federal Home Loan Bank System"

Senate Committee on Banking

The Senate Banking Committee remains primarily focused on finalizing digital asset market structure legislation. Updated bill text is expected to be released early this week, with the hope of floor consideration as soon as next week. That timeline is largely contingent on resolving an outstanding ethics deal and law enforcement-related provisions. Senate leadership believes that releasing text now will inject added urgency into the remaining negotiations. Separately, the Committee appears close to releasing a capital formation package, which is expected to include several bipartisan, bicameral bills.

On the hearings front, the Banking Committee is also preparing to hold two oversight hearings next week with Chairman Warsh testifying on Wednesday and Acting Director Vought testifying on Thursday. We expect senators to press Chairman Warsh on many of the same issues as the House, including Basel III Endgame, Fed independence, monetary policy, and debanking. Acting Director Vought has not yet appeared before this Committee despite Democrats' demands for the statutorily required semiannual hearing, so expect Banking Democrats to hammer the mass deletion of CFPB website content and records, the agency's near zero funding requests, mass layoff plans, and its retreat from cracking down on "junk fees."

Besides the oversight hearings, there is work to see if Brian Johnson could be folded into a broader nominations package and confirmed before the August recess to provide for a smooth transition since Acting Director Vought's term expires on August 1.

Upcoming Hearings

- Wednesday, July 15: Senate Banking Committee — "The Semiannual Monetary Policy Report to the Congress"
- Thursday, July 16: Senate Banking Committee — "The CFPB Semi-Annual Report: A New Day at the CFPB Through Reform"

Regulatory Activity

Commodity Futures Trading Commission

So far this summer, the CFTC under Chairman Michael Selig has kept up an aggressive pace of joint rulemaking with the SEC on portfolio margining, product definitions, and swap data reporting, while continuing its crypto and prediction market agenda, including a perpetual contracts policy statement, litigation against Kentucky and New Mexico over prediction market jurisdiction, and an RFI on fintech innovation.

Looking ahead, we expect the state prediction market jurisdiction fights to continue.

Given the pace of crypto-related actions, we also expect the potential release of additional guidance or no-action relief extending regulatory clarity to digital asset derivatives products. Chairman Selig has also indicated that if the Senate is unable to pass the CLARITY Act, the Commission will quickly pivot to rulemakings in the crypto space.

Consumer Financial Protection Bureau

Recent Guidance and Rules

With Acting Director Vought heading out the door and Johnson coming in to lead the Bureau pending his confirmation, the Bureau has steadily increased activity over the summer, most recently publishing a request for information (RFI) on July 9 on potential regulatory changes that may increase access to mortgage credit and eliminate regulatory barriers. Specifically, this RFI implements Executive Order 14393 by seeking public comment on potential regulatory changes to reduce mortgage lending burdens, covering TILA-RESPA integrated disclosures (TRID) timing and tolerance rules, the right of rescission for refinancings, and reverse mortgage disclosure requirements.

Additionally, in the last few weeks, the Bureau published a rescission of its December 2020 advisory opinion on special purpose credit programs (SPCPs) under Regulation B, effective June 17, 2026, because the opinion's statements, such as permitting SPCPs to use race, national origin, or sex as eligibility criteria, conflict with the CFPB's April 2026 final rule tightening SPCP standards. The rescission is intended to eliminate confusion for for-profit organizations administering SPCPs and to address constitutional concerns the Bureau raised about programs that discriminate based on protected characteristics.

Looking Ahead

The CFPB is expected to issue a revised Notice of Proposed Rulemaking (NPRM) for its Section 1033 open banking rule as early as this month, building on the Advance Notice of Proposed Rulemaking process that reopened four core areas: who can serve as an authorized third party, data security, data privacy, and whether data providers can charge fees for data access. The new proposal could possibly include a usage-based fee structure under the “logical outgrowth” doctrine, since a final rule can only include provisions that were reasonably foreseeable from the proposed rule; if the fee mechanism isn't included in the NPRM, the Bureau risks being unable to add one in the final rule unless it decides to specifically address fees in a later NPRM.

Given the scope of issues still in play, the initial NPRM is expected to be broad, with the Bureau likely following up with additional RFIs and narrower NPRMs to refine specific aspects of the 1033 framework over time, rather than resolving every open question in a single rulemaking.

Outside of Section 1033, CFPB will be publishing an RFI on credit card late fees fairly soon, given that the RFI is currently under review with the Office of Management and Budget.

Department of the Treasury and FSOC

The Financial Stability Oversight Council (FSOC) is scheduled to meet next week, and the Senate Finance Committee has a nomination hearing on deck covering several key Treasury positions including Deputy Secretary of the Treasury, Undersecretary of the Treasury for International Affairs, Assistant Secretary of the Treasury for Economic Policy, and Assistant Secretary of the Treasury for Financial Markets. Separately, Under Secretary John McKernan's departure from Treasury is expected to elevate Assistant Secretary Luke Pettit to acting Under Secretary in the interim, a transition worth watching given the Under Secretary's role overseeing domestic finance policy.

Office of the Comptroller of the Currency

We are watching for regulatory action tied to GENIUS Act implementation, Community Reinvestment Act (CRA) reform, and liquidity standards over the next couple of months, as both agencies work through their respective rulemaking priorities. The OCC is also expected to continue issuing new bank charters in the meantime, keeping pace with the current pipeline of applications.

Federal Deposit Insurance Corporation

The FDIC will likely be doing similar work on GENIUS Act implementation, CRA reform, and liquidity standards alongside the OCC over the next couple of months. At its most recent board meeting at the end of June, the agency also approved three notices of proposed rulemaking under Chairman Travis Hill that would together revise resolution submission requirements for large insured depository institutions by raising the applicability threshold and streamlining requirements, update deposit insurance assessment thresholds and rates by raising the small/large institution cutoff to $30 billion and lowering base assessment rates, and reform the agency's confidential information disclosure rules to make it easier for institutions to share supervisory information and simplify FOIA procedures. Comment deadlines for all three proposals fall at the end of August.

Securities and Exchange Commission

On June 11, the SEC issued a proposed rule that would repeal the so-called “trade-through” rule, which is Rule 611 of Regulation NMS. The trade-through rule prohibits brokers from executing an order at a price that is worse than the price displayed on another market. Chairman Atkins has long criticized the trade-through rule and this proposed rule is one of his top priorities, so we expect that this rule will be finalized in a form that is very similar to the proposal.

The SEC also published their RegFlex agenda for 2026, which included 18 new rulemakings that were not on the previous RegFlex agenda. Importantly, the SEC is planning to reform the “pay-to-play” rule for investment advisers, which currently prohibits investment advisers that manage public pension funds from making political contributions to state and local officials that may have an influence over the selection of investment advisers. In addition, the SEC is expected to issue a proposed rule allowing for electronic delivery of shareholder disclosures imminently.

We also expect the Commission to release their innovation exemption shortly after Senate completes consideration of the CLARITY Act.

Federal Housing Finance Agency

The Senate Intelligence Committee's confirmation hearing for Jay Clayton to be Director of National Intelligence (DNI) is a key item to watch in the coming weeks, with his confirmation likely to occur before the August recess. A confirmed Jay Clayton would focus Federal Housing Finance Agency (FHFA) Director Bill Pulte back only at the FHFA following his brief period of leadership as Acting DNI.

Federal Trade Commission

The Federal Trade Commission (FTC) continues to play a significant role in the White House's Fraud Prevention Taskforce. Additionally, the FTC is seeking public comment on its "Proposed Policy Statement Concerning the Suppression of Accuracy in Artificial Intelligence Systems," which would address concerns that companies may limit or manipulate the accuracy of AI systems in ways that could mislead consumers, increase exposure to scams and fraud, or undermine trust in AI-enabled financial products and services.

Department of Labor

Acting Secretary of Labor Keith Sonderling has been nominated for the permanent position, and we expect a quick hearing and markup in the Senate HELP Committee during July. His confirmation could come before the August recess, though floor timing remains a variable. Cabinet-level secretaries still require 30 hours of debate on the floor and cannot be confirmed as part of an en bloc package with other nominees, which limits how quickly leadership can move him through even with committee support secured.

The Department of Labor also continues its work on the 401(k) alternative assets and safe harbor rule. The Administration would like to finalize this rule before the election given its projected impact on Americans' access to diversified, higher-return retirement portfolio options, and the timeline suggests they are treating it as a priority deliverable this cycle.