

MADOFF Transparency Act:
Making All Data Open for Financial Transparency

Title I: Department of the Treasury

Section 101. Authority to promulgate data standards for use by FSOC member agencies.

Section 101 requires the Treasury Department to promulgate data standards for the information that financial regulatory agencies collect from the entities they regulate. Section 101 is limited to the nine member agencies of the Financial Stability Oversight Council.

Section 102. Specific data standards and characteristics.

Section 102 directs the Treasury Department to promulgate common identification codes and common formats for the information that financial regulatory agencies collect from their regulated entities and/or report to the Financial Stability Oversight Council. Section 102 specifically requires the Treasury Department to promulgate a common identifier for legal entities - codifying the existing effort to promote the universal use of the Legal Entity Identifier (LEI), which has been ongoing since 2010, and which has so far been adopted by the CFTC and FDIC. Section 102 requires these data standards to be machine-readable, nonproprietary, and consistent with applicable accounting and reporting principles.

Section 103. Open data publication by the Department of the Treasury.

Requires the Treasury Department to publish information as open, searchable data. Applies only to information that the Treasury Department is already publishing under the Dodd-Frank Act.

Section 104. Deadlines

Sets a two-year deadline for rulemaking under Section 101.

Title II. Securities and Exchange Commission.

Section 201. Data standards requirements for the Securities and Exchange Commission.

Directs the SEC to adopt consistent data standards for information that it collects from regulated entities under existing law. Requires these data standards to be machine-readable, nonproprietary, and consistent with applicable accounting and reporting principles. Requires the SEC to follow any applicable guidance by the Treasury Department as it adopts these data standards. Covers the following reporting regimes: (a) investment advisers' reports under the Investment Advisers Act of 1940; (b) mutual fund filings under the Investment Company Act of 1940; (c) ratings agencies' submissions under the Securities Exchange Act of 1934; (d) asset-

backed securities disclosures under the Securities Act of 1933; (e) corporate registration statements and prospectuses under the Securities Act of 1933; (f) periodic and current corporate disclosures under the Securities Exchange Act of 1934; (g) proxy materials under the Securities Exchange Act of 1934; and (h) securities-based swap filings under the Dodd-Frank Act.

Section 202. Open data publication by the Securities and Exchange Commission.

Requires the SEC to publish information as open, searchable data. Applies only to information that the SEC is already publishing under existing law.

Section 203. Data transparency at the Municipal Securities Reporting Board.

Requires the MSRB, which is under the supervision of the SEC via Section 15B of the Securities Exchange Act of 1934, to adopt data standards for the information it collects from municipal securities issuers and advisors. Requires these data standards to be machine-readable, nonproprietary, and consistent with applicable accounting and reporting principles. Requires the MSRB to follow any applicable guidance by the OFR as it adopts these data standards.

Section 204. Shorter-term progress toward data transparency at the Securities and Exchange Commission; sunset.

Requires the SEC to take certain steps to improve its existing use of searchable data for corporate disclosures. Unlike the other sections, sunsets after seven years. Requires the SEC to (a) replace its existing XBRL regime with a data that is both human-readable and machine-readable, as is already proposed within the agency and has the support of the Division of Economic and Risk Analysis and three Commissioners; (b) improve the quality of corporate financial information submitted as searchable data; and (c) submit a regular report to the House Financial Services Committee and Senate Banking Committee on these efforts.

Section 205. Deadlines

Sets a two-year deadline for rulemaking under Section 201.

Title III-Title IX (truncated):

Federal Deposit Insurance Corporation;
Office of the Comptroller of the Currency;
Consumer Financial Protection Bureau;
Federal Reserve;
Commodity Futures Trading Commission;
National Credit Union Administration;
Federal Housing Finance Agency;

Directs the above agencies to adopt consistent data standards for information that they collect from regulated entities under existing law. Requires these data standards to be machine-readable, nonproprietary, and consistent with applicable accounting and reporting principles. Requires said agencies to follow any applicable guidance by the Treasury Department as it adopts these data standards.

Sections 302; 402; 502; 602; 702; 802; 902: Open data publication by the above agency

Requires the agency to publish information as open, searchable data. Applies only to information that the agency is already publishing under existing law.

Section 303; 403; 503; 603; 703; 803; 903. Deadlines

Sets a two-year deadline for rulemaking under Section 301; 401; 501; 601; 701; 801; 901.