President Donald Trump issued Executive Order (E.O.) 13772 on February 3, 2017. The E.O. identified "Core Principles" to be adhered to in financial regulation and directed the Secretary of the Treasury to report on "the extent to which ... Government policies promote the Core Principles and what actions have been taken, and are currently being taken, to promote and support the Core Principles." The principles are as follows:

- empower Americans to make independent financial decisions and informed choices in the marketplace, save for retirement, and build individual wealth;
- prevent taxpayer-funded bailouts;
- foster economic growth and vibrant financial markets through more rigorous regulatory impact analysis that addresses systemic risk and market failures, such as moral hazard and information asymmetry;
- enable American companies to be competitive with foreign firms in domestic and foreign markets;
- advance American interests in international financial regulatory negotiations and meetings;
- make regulation efficient, effective, and appropriately tailored; and
- restore public accountability within Federal financial regulatory agencies and rationalize the Federal financial regulatory framework.

In accordance with the E.O., the Department of the Treasury published four reports between June 2017 and July 2018.
Each report examines industries and regulation in one of four segments of the financial system and provides recommendations that the Treasury asserts would improve the regulation's effectiveness and efficiency. CRS posted Insights that summarized each of the Treasury reports shortly after the publication of each report. This Insight briefly describes each Treasury report and provides links to the earlier CRS Insights covering them individually, as well as to other relevant CRS products.

**Banks and Credit Unions**

On June 12, 2017, the Department of the Treasury issued the first report, *A Financial System That Creates Economic Opportunities: Banks and Credit Unions*. This report primarily covers regulations facing depositories and regulations related to lending. It makes numerous recommendations, and most can be broadly categorized as aimed at either (1) providing regulatory relief to banks and credit unions or (2) changing the structures and authorities of regulators.

In addition to the Insight covering the first Treasury report, more detailed background and analysis of many of the policy issues addressed can be found in CRS Report R44855, *Banking Policy Issues in the 115th Congress*, by David W. Perkins.

**Capital Markets**

On October 6, 2017, the Department of the Treasury issued the second report, *A Financial System That Creates Economic Opportunities: Capital Markets*. This report primarily examines the regulation of debt, equity, commodities, and derivatives markets. It provides 91 policy recommendations, the majority of which could be implemented by the primary regulators of U.S. capital markets: the Securities and Exchange Commission, Commodity Futures Trading Commission, state securities regulators, and Self-Regulatory Organizations.

In addition to the Insight covering the second Treasury report, more detailed background and analysis of many of the policy issues addressed can be found in CRS Report R45221, *Capital Markets, Securities Offerings, and Related Policy Issues*, by Eva Su.

**Asset Management and Insurance**

On October 26, 2017, the Department of the Treasury issued the third report, *A Financial System That Creates Economic Opportunities: Asset Management and Insurance*, which primarily examines the regulation of those industries. It makes recommendations for changes to how they are regulated; these changes generally are aimed at providing regulatory relief and achieving certain stated goals: appropriately addressing systemic risk and firm solvency, increasing the efficiency of regulation, appropriately engaging in international regulatory forums and bodies, and promoting economic growth and informed choices.

In addition to the Insight covering the third Treasury report, more detailed background and analysis of insurance policy issues addressed can be found in CRS Report R44958, *Insurance Regulation: Legislation in the 115th Congress*, by Baird Webel.

**Nonbanks and Financial Technology**

On July 31, 2018, the Department of the Treasury issued its fourth report, *A Financial System That Creates Economic Opportunities: Nonbank Financials, Fintech, and Innovation*. This report examines financial institutions and activities for which the application of traditional regulation may present challenges due to advances in financial technology (fintech). It makes more than 80 recommendations that can broadly be categorized into three areas: (1) general issues raised by recent technological advances, (2) specific issues facing certain financial industries, and (3) regulators' ability to respond to innovations.

In addition to the Insight covering the fourth Treasury report, an overview of fintech-related issues can be found in CRS In Focus IF10513, *Introduction to Financial Services: "Fintech,)* by David W. Perkins.