

# The Trump administration will implement executive actions that build on a previous executive order

## Overview of Trump's executive order and memoranda on finance and tax



### Examine the OLA

- One of the presidential memoranda will direct Treasury Secretary Mnuchin to examine Dodd-Frank's Orderly Liquidation Authority (OLA) and report to the president 180 days after the order on its effectiveness
- The OLA provides the Fed and the FDIC with tools to help failing banks resolve their problems safely. In addition, the OLA removed some powers from the Fed, FDIC and the Treasury
- Republicans argue that the OLA calls for taxpayer bailouts while banks have argued it actually saves taxpayers money



### Non-finance SIFI authority by the Fed

- The second presidential memoranda will examine the risks and impact that placing strict restrictions on systematically important nonbank financial firms (SIFIs) through Fed authority will have on the US financial system
- Fed Chair Yellen has previously argued that these strict regulations have actually improved the stability of the financial system



### Tax burdens

- Trump's executive action will order Treasury Secretary Mnuchin to determine if any tax regulations burden US taxpayers with unnecessary or complex statutory authority
- In 2016, the Department of Treasury issued rules that made it harder for companies to pay less taxes by targeting companies that employ inversions and earnings stripping

### Analysis

- Three months ago, the Trump administration implemented a broader executive order that began the process of deregulating Wall Street and rolling back banking regulations
- Some believe that this order is meant to show the success of the Trump administration in the first 100 days despite the failure of the AHCA