

118TH CONGRESS  
2D SESSION

# H. R. 8337

To amend the Federal banking laws to improve the safety and soundness of the United States banking system, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 10, 2024

Mr. BARR introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To amend the Federal banking laws to improve the safety and soundness of the United States banking system, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Bank Resilience and Regulatory Improvement Act”.

6 (b) TABLE OF CONTENTS.—The table of contents for  
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—FINANCIAL INSTITUTION REGULATORY TAILORING  
ENHANCEMENT

Sec. 101. Increased asset thresholds.

## TITLE II—BANK FAILURE PREVENTION

Sec. 201. Complete record on an application.

## TITLE III—STRESS CAPITAL BUFFER REQUIREMENTS

Sec. 301. Rulemaking related to stress capital buffer requirements.

Sec. 302. Rulemaking relating to stress testing.

Sec. 303. GAO report.

## TITLE IV—BANK SUPERVISION APPEALS IMPROVEMENT

Sec. 401. Timeliness of examinations and required permission, regulatory, and reporting guidance.

Sec. 402. Update of independent intra-agency appellate process for reviewing material supervisory determinations.

Sec. 403. Review of resolution actions resulting in a material loss.

## TITLE V—REVIEW OF DISCOUNT WINDOW OPERATIONS

Sec. 501. Review of discount window operations.

## TITLE VI—SMALL BANK HOLDING COMPANY RELIEF

Sec. 601. Changes required to the Small Bank Holding Company and Savings and Loan Holding Company Policy Statement.

1 **TITLE I—FINANCIAL INSTITU-**  
 2 **TION REGULATORY TAI-**  
 3 **LORING ENHANCEMENT**

4 **SEC. 101. INCREASED ASSET THRESHOLDS.**

5 (a) BUREAU SUPERVISION.—Section 1025(a) of the  
 6 Consumer Financial Protection Act of 2010 (12 U.S.C.  
 7 5515) is amended by striking “\$10,000,000,000” each  
 8 place it occurs and inserting “\$50,000,000,000”.

9 (b) DURBIN AMENDMENT REQUIREMENTS.—Section  
 10 921(a)(6) of the Electronic Fund Transfer Act (15 U.S.C.  
 11 1693o–2(a)(6)) is amended by striking  
 12 “\$10,000,000,000” and inserting “\$50,000,000,000”.

13 (c) VOLKER RULE REQUIREMENTS.—Section  
 14 13(h)(1)(B)(i) of the Bank Holding Company Act of 1956

1 (12 U.S.C. 1851(h)(1)(B)(i)) is amended by striking  
2 “\$10,000,000,000” and inserting “\$50,000,000,000”.

3 (d) QUALIFIED MORTGAGE REQUIREMENTS.—Sec-  
4 tion 129C(b)(F)(i) of the Truth in Lending Act (15  
5 U.S.C. 1639c(b)(F)(i)) is amended by striking  
6 “\$10,000,000,000” and inserting “\$50,000,000,000”.

7 (e) LEVERAGE AND RISK-BASED CAPITAL REQUIRE-  
8 MENTS.—Section 201(a)(3)(A) of the Economic Growth,  
9 Regulatory Relief, and Consumer Protection Act (12  
10 U.S.C. 5371 note (a)(3)(A)) is amended by striking  
11 “\$10,000,000,000” and inserting “\$50,000,000,000”.

## 12 **TITLE II—BANK FAILURE** 13 **PREVENTION**

### 14 **SEC. 201. COMPLETE RECORD ON AN APPLICATION.**

15 (a) BANK HOLDING COMPANIES.—Section 3(b)(1) of  
16 the Bank Holding Company Act of 1956 (12 U.S.C.  
17 1842(b)(1)) is amended—

18 (1) by striking “Upon receiving” and inserting  
19 the following:

20 “(A) IN GENERAL.—Upon receiving”;

21 (2) by striking “required” and inserting “ac-  
22 quired”;

23 (3) by striking “In the event of the failure of  
24 the Board to act on any application for approval  
25 under this section within the ninety-one-day period

1 which begins on the date of submission to the Board  
2 of the complete record on that application, the appli-  
3 cation shall be deemed to have been granted.”; and

4 (4) by adding at the end the following:

5 “(B) COMPLETE RECORD ON AN APPLICA-  
6 TION.—

7 “(i) NOTICE TO APPLICANT.—Not later  
8 than 30 days after the date on which the Board  
9 receives an application for approval under this  
10 section, the Board shall transmit to the appli-  
11 cant a letter that either—

12 “(I) confirms the record on the appli-  
13 cation is complete; or

14 “(II) details all additional information  
15 that is required for the record on that ap-  
16 plication to be complete.

17 “(ii) EXTENSION OF NOTICE.—Notwith-  
18 standing clause (i), the Board may, if an appli-  
19 cation is unusually complex, extend the 30-day  
20 period described under clause (i) for an addi-  
21 tional 30 days.

22 “(iii) RECEIPT OF RESPONSE; DEEMING OF  
23 COMPLETE RECORD.—Upon receipt of a re-  
24 sponse from an applicant to a notice requesting  
25 additional information described under clause

1 (i)(II), the record on the application shall be  
2 deemed complete unless the Board—

3 “(I) determines that the applicant’s  
4 response was materially deficient; and

5 “(II) not later than 30 days after the  
6 date on which the Board received the re-  
7 sponse, provides the applicant a detailed  
8 notice describing the deficiencies.

9 “(iv) TREATMENT OF THIRD-PARTY INFOR-  
10 MATION.—In determining whether the record on  
11 an application is complete, the Board may take  
12 into account only information provided by the  
13 applicant, and may not base the determination  
14 of completeness on any information (including  
15 reports, views, or recommendations) provided by  
16 third parties.

17 “(C) DEADLINE FOR DETERMINATION.—

18 “(i) IN GENERAL.—Notwithstanding sub-  
19 paragraphs (A) and (B), the Board shall grant  
20 or deny an application submitted under this  
21 section not later than 90 days after the date on  
22 which the application was initially submitted to  
23 the Board, regardless of whether the record on  
24 such initial application was complete.

1           “(ii) FAILURE TO MAKE A DETERMINA-  
2           TION.—If the Board does not grant or deny an  
3           application within the time period described  
4           under clause (i), such application shall be  
5           deemed to have been granted.

6           “(iii) TOLLING OF PERIOD.—The Board  
7           may at any time extend the deadline described  
8           under clause (i) at the request of the applicant,  
9           but may not extend the deadline more than 30  
10          days past the deadline described under clause  
11          (i).”.

12          (b) SAVINGS AND LOAN HOLDING COMPANIES.—Sec-  
13          tion 10(e) of the Home Owners’ Loan Act (12 U.S.C.  
14          1467a(e)) is amended—

15               (1) in paragraph (2), by striking “, and shall  
16               render a decision within 90 days after submission to  
17               the Board of the complete record on the applica-  
18               tion”;

19               (2) by redesignating paragraph (7) as para-  
20               graph (9); and

21               (3) by inserting after paragraph (6) the fol-  
22               lowing:

23               “(7) COMPLETE RECORD ON AN APPLICA-  
24               TION.—

1           “(A) NOTICE TO APPLICANT.—Not later  
2 than 30 days after the date on which the Board  
3 receives an application for approval under this  
4 subsection, the Board shall transmit to the ap-  
5 plicant a letter that either—

6                   “(i) confirms the record on the appli-  
7 cation is complete; or

8                   “(ii) details all additional information  
9 that is required for the record on that ap-  
10 plication to be complete.

11           “(B) EXTENSION OF NOTICE.—Notwith-  
12 standing subparagraph (A), the Board may, if  
13 an application is unusually complex, extend the  
14 30-day period described under subparagraph  
15 (A) for an additional 30 days.

16           “(C) RECEIPT OF RESPONSE; DEEMING OF  
17 COMPLETE RECORD.—Upon receipt of a re-  
18 sponse from an applicant to a notice requesting  
19 additional information described under subpara-  
20 graph (A)(ii), the record on the application  
21 shall be deemed complete unless the Board—

22                   “(i) determines that the applicant’s  
23 response was materially deficient; and

24                   “(ii) not later than 30 days after the  
25 date on which the Board received the re-

1           sponse, provides the applicant a detailed  
2           notice describing the deficiencies.

3           “(D) TREATMENT OF THIRD-PARTY IN-  
4           FORMATION.—In determining whether the  
5           record on an application is complete, the Board  
6           may take into account only information pro-  
7           vided by the applicant, and may not base the  
8           determination of completeness on any informa-  
9           tion (including reports, views, or recommenda-  
10          tions) provided by third parties.

11          “(8) DEADLINE FOR DETERMINATION.—

12           “(A) IN GENERAL.—Notwithstanding any  
13           other provision of this subsection, the Board  
14           shall grant or deny an application submitted  
15           under this subsection not later than 90 days  
16           after the date on which the application was ini-  
17           tially submitted to the Board, regardless of  
18           whether the record on such initial application  
19           was complete.

20           “(B) FAILURE TO MAKE A DETERMINA-  
21           TION.—If the Board does not grant or deny an  
22           application within the time period described  
23           under subparagraph (A), such application shall  
24           be deemed to have been granted.



1           “(C) TOLLING OF PERIOD.—The Board  
2           may at any time extend the deadline described  
3           under subparagraph (A) at the request of the  
4           applicant, but may not extend the deadline  
5           more than 30 days past the deadline described  
6           under subparagraph (A).”.

7           (c) INSURED DEPOSITORY INSTITUTIONS.—Section  
8           18(e) of the Federal Deposit Insurance Act (12 U.S.C.  
9           1828(e)) is amended by adding at the end the following:

10          “(14) COMPLETE RECORD ON AN APPLICATION.—

11           “(A) NOTICE TO APPLICANT.—Not later than  
12           30 days after the date on which the responsible  
13           agency receives a merger application for approval  
14           under this subsection, the responsible agency shall  
15           transmit to the applicant a letter that either—

16           “(i) confirms the record on the application  
17           is complete; or

18           “(ii) details all additional information that  
19           is required for the record on that application to  
20           be complete.

21           “(B) EXTENSION OF NOTICE.—Notwith-  
22           standing subparagraph (A), the responsible agency  
23           may, if an application is unusually complex, extend  
24           the 30-day period described under subparagraph (A)  
25           for an additional 30 days.

1           “(C) RECEIPT OF RESPONSE; DEEMING OF  
2 COMPLETE RECORD.—Upon receipt of a response  
3 from an applicant to a notice requesting additional  
4 information described under subparagraph (A)(ii),  
5 the record on the application shall be deemed com-  
6 plete unless the responsible agency—

7                   “(i) determines that the applicant’s re-  
8 sponse was materially deficient; and

9                   “(ii) not later than 30 days after the date  
10 on which the responsible agency received the re-  
11 sponse, provides the applicant a detailed notice  
12 describing the deficiencies.

13           “(D) TREATMENT OF THIRD-PARTY INFORMA-  
14 TION.—In determining whether the record on an ap-  
15 plication is complete, the responsible agency may  
16 take into account only information provided by the  
17 applicant, and may not base the determination of  
18 completeness on any information (including reports,  
19 views, or recommendations) provided by third par-  
20 ties.

21           “(15) DEADLINE FOR DETERMINATION.—

22                   “(A) IN GENERAL.—Notwithstanding any other  
23 provision of this subsection, the responsible agency  
24 shall grant or deny a merger application submitted  
25 under this subsection not later than 90 days after

1 the date on which the application was initially sub-  
2 mitted to the responsible agency, regardless of  
3 whether the record on such initial application was  
4 complete.

5 “(B) FAILURE TO MAKE A DETERMINATION.—  
6 If the responsible agency does not grant or deny an  
7 application within the time period described under  
8 subparagraph (A), such application shall be deemed  
9 to have been granted.

10 “(C) TOLLING OF PERIOD.—The responsible  
11 agency may at any time extend the deadline de-  
12 scribed under subparagraph (A) at the request of  
13 the applicant, but may not extend the deadline more  
14 than 30 days past the deadline described under sub-  
15 paragraph (A).”.

16 **TITLE III—STRESS TESTING AC-**  
17 **COUNTABILITY AND TRANS-**  
18 **PARENCY**

19 **SEC. 301. RULEMAKING RELATED TO STRESS CAPITAL**  
20 **BUFFER REQUIREMENTS.**

21 (a) IN GENERAL.—Not later than 90 days after the  
22 date of the enactment of this section, the Board of Gov-  
23 ernors of the Federal Reserve System (in this title referred  
24 to as the “Board”) shall issue a rule to establish any mod-  
25 els, assumptions, formulas, or other decisional methodolo-

1 gies that are used to determine any component or sub-  
2 component of the stress capital buffer requirement for a  
3 bank holding company.

4 (b) CHANGES.—The Board may only make changes  
5 to the rule issued under subsection (a) through notice and  
6 comment rulemaking.

7 (c) STRESS CAPITAL BUFFER REQUIREMENT DE-  
8 FINED.—The term “stress capital buffer requirement” has  
9 the meaning given the term in section 225.8(c) of title  
10 12 of the Code of Federal Regulations.

11 **SEC. 302. RULEMAKING RELATING TO STRESS TESTING.**

12 (a) IN GENERAL.—Beginning in the first calendar  
13 year after the date of the enactment of this section, the  
14 Board shall, not less than 30 days before conducting a  
15 stress test pursuant to section 165(i) of the Financial Sta-  
16 bility Act of 2010, issue a rule to establish each scenario  
17 to be used in such stress test.

18 (b) PROHIBITION.—The Board may not, by rule or  
19 otherwise, subject any nonbank financial company to a cli-  
20 mate-related stress test using the authority provided in  
21 section 165(i) of the Financial Stability Act of 2010.

22 **SEC. 303. GAO REPORT.**

23 (a) IN GENERAL.—The Comptroller General of the  
24 United States shall, every 3 years, conduct a study and  
25 submit a report to the Congress with respect to the stress

1 tests conducted by the Board under section 165(i) of the  
2 Financial Stability Act of 2010 in the 3 most recent cal-  
3 endar years.

4 (b) CONTENTS.—The report submitted to the Con-  
5 gress under subsection (a) shall—

6 (1) evaluate whether the stress tests are suffi-  
7 ciently robust and promote preparedness; and

8 (2) consider whether the stress tests adequately  
9 identify salient risks to—

10 (A) the safety and soundness of the  
11 nonbank financial institutions subjected to  
12 stress tests;

13 (B) the stability of the United States fi-  
14 nancial system.

## 15 **TITLE IV—BANK SUPERVISION** 16 **APPEALS IMPROVEMENT**

### 17 **SEC. 401. TIMELINESS OF EXAMINATIONS AND REQUIRED** 18 **PERMISSION, REGULATORY, AND REPORTING** 19 **GUIDANCE.**

20 (a) EXIT INTERVIEW REQUIREMENT; TIMELINESS  
21 OF EXAMINATIONS.—

22 (1) INSURED DEPOSITORY INSTITUTIONS.—Sec-  
23 tion 10(d) of the Federal Deposit Insurance Act (12  
24 U.S.C. 1820(d)) is amended by adding at the end  
25 the following:

1           “(11) EXAMINATION TIMELINESS.—The appro-  
2           priate Federal banking agency shall complete any  
3           examination of an insured depository institution  
4           within 270 days of commencing the examination, ex-  
5           cept that such period may be extended by the appro-  
6           priate Federal banking agency by providing written  
7           notice to the insured depository institution describ-  
8           ing with particularity the reasons that a longer pe-  
9           riod is needed.

10           “(12) EXIT INTERVIEW REQUIREMENT.—With-  
11           in 30 days of completing an examination, the appro-  
12           priate Federal banking agency shall conduct an exit  
13           interview with the insured depository institution’s  
14           senior management and board of directors.

15           “(13) TIMELINESS OF EXAMINATION RE-  
16           PORTS.—

17           “(A) FINAL EXAMINATION REPORT.—With  
18           respect to an examination of an insured depository  
19           institution by an appropriate Federal  
20           banking agency, the appropriate Federal bank-  
21           ing agency shall provide a final examination re-  
22           port to the insured depository institution not  
23           later than 60 days after the later of—

24                   “(i) the exit interview for the exam-  
25                   ination; or

1           “(ii) the provision of additional infor-  
2           mation by the insured depository institu-  
3           tion relating to the examination.

4           “(B) EXAMINATION MATERIALS.—Upon  
5           the request of an insured depository institution,  
6           the appropriate Federal banking agency shall  
7           include with a final examination report an ap-  
8           pendix listing all materials relied upon by the  
9           agency in support of all material supervisory  
10          determinations.

11          “(C) MATERIAL SUPERVISORY DETER-  
12          MINATION DEFINED.—In this paragraph, the  
13          term ‘material supervisory determination’ has  
14          the meaning given such term in section 309(i)  
15          of the Riegle Community Development and  
16          Regulatory Improvement Act of 1994.”.

17          (2) INSURED CREDIT UNIONS.—Section 204 of  
18          the Federal Credit Union Act (12 U.S.C. 1784) is  
19          amended by adding at the end the following:

20          “(h) EXIT INTERVIEW REQUIREMENT; TIMELINESS  
21          OF EXAMINATIONS.—

22          “(1) EXAMINATION TIMELINESS.—The Board  
23          shall complete any examination of an insured credit  
24          union within 270 days of commencing the examina-  
25          tion, except that such period may be extended by the

1 Board by providing written notice to the insured  
2 credit union describing with particularity the reasons  
3 that a longer period is needed.

4 “(2) EXIT INTERVIEW REQUIREMENT.—Within  
5 30 days of completing an examination, the Board  
6 shall conduct an exit interview with the insured  
7 credit union’s senior management and board of di-  
8 rectors.

9 “(3) TIMELINESS OF EXAMINATION RE-  
10 PORTS.—

11 “(A) FINAL EXAMINATION REPORT.—With  
12 respect to an examination of an insured credit  
13 union, the Board shall provide a final examina-  
14 tion report to the insured credit union not later  
15 than 60 days after the later of—

16 “(i) the exit interview for the exam-  
17 ination; or

18 “(ii) the provision of additional infor-  
19 mation by the insured credit union relating  
20 to the examination.

21 “(B) EXAMINATION MATERIALS.—Upon  
22 the request of an insured credit union, the  
23 Board shall include with a final examination re-  
24 port an appendix listing all materials relied



1           upon by the Board in support of all material  
2           supervisory determinations.

3           “(C) MATERIAL SUPERVISORY DETER-  
4           MINATION DEFINED.—In this paragraph, the  
5           term ‘material supervisory determination’ has  
6           the meaning given such term in section 309(i)  
7           of the Riegle Community Development and  
8           Regulatory Improvement Act of 1994.”.

9           (b) TIMELINESS OF REQUIRED PERMISSION, REGU-  
10          LATORY, AND REPORTING GUIDANCE.—

11           (1) INSURED DEPOSITORY INSTITUTIONS.—Sec-  
12          tion 10 of the Federal Deposit Insurance Act (12  
13          U.S.C. 1820) is amended by adding at the end the  
14          following:

15           “(1) TIMELINESS OF REQUIRED PERMISSION, REGU-  
16          LATORY, AND REPORTING GUIDANCE.—

17           “(1) REQUEST FOR PERMISSION OR GUID-  
18          ANCE.—An insured depository institution may re-  
19          quest a written determination by the appropriate  
20          Federal banking agency of—

21           “(A) the agency’s permission to take an  
22          action where permission is mandated by regula-  
23          tion;

24           “(B) the agency’s interpretation of a law  
25          or regulation; and

1           “(C) the agency’s interpretation of gen-  
2           erally accepted accounting principles or ac-  
3           counting objectives, standards, and require-  
4           ments under section 37.

5           “(2) CONTENTS OF REQUEST.—A request made  
6           under paragraph (1) shall be in writing and con-  
7           tain—

8                   “(A) the nature of the request;

9                   “(B) applicable facts relating to the mat-  
10           ter;

11                   “(C) applicable law, regulation, or gen-  
12           erally accepted accounting principles relating to  
13           the matter; and

14                   “(D) a summary of the request.

15           “(3) RESPONSE TO REQUEST.—A Federal  
16           banking agency receiving a request under paragraph  
17           (1) shall, not later than 30 days after receiving the  
18           request—

19                   “(A) provide the insured depository institu-  
20           tion making the request with written notifica-  
21           tion that the agency received the request and  
22           stating whether the request contains the infor-  
23           mation required under paragraph (2); and

24                   “(B) if the request does not contain the in-  
25           formation required under paragraph (2), pro-

1           vide the insured depository institution with an  
2           explanation of what information is missing.

3           “(4) PROVIDING MISSING INFORMATION.—If a  
4           Federal banking agency informs the insured depository  
5           institution under paragraph (3) that the request  
6           does not contain all the information required  
7           under paragraph (2), the insured depository institution  
8           may provide the missing information to the  
9           Federal banking agency during the 30-day period  
10          beginning on the date the insured depository institution  
11          receives the explanation of the missing information  
12          under paragraph (3).

13          “(5) DETERMINATION.—A Federal banking  
14          agency receiving a request under paragraph (1) shall  
15          make a determination on the request and provide  
16          the insured depository institution with a written notice  
17          of such determination—

18                 “(A) if the initial request contains the information  
19                 required under paragraph (2), not  
20                 later than the end of the 60-day period beginning  
21                 on the date the Federal banking agency  
22                 notifies the insured depository institution of the  
23                 receipt of the request under paragraph (3); or

24                 “(B) if the initial request does not contain  
25                 the information required under paragraph (2)—

1           “(i) not later than the end of the 60-  
2           day period beginning on the date that the  
3           insured depository institution provides the  
4           Federal banking agency with the missing  
5           information under paragraph (4); or

6           “(ii) if the insured depository institu-  
7           tion does not provide the Federal banking  
8           agency with the missing information within  
9           the 30-day period described under para-  
10          graph (4), not later than the end of the  
11          60-day period beginning on the end of such  
12          30-day period.

13           “(6) REPORTS AND PUBLICATION.—Each Fed-  
14          eral banking agency shall, within 120 days after  
15          making a determination under paragraph (5), pub-  
16          lish a summary of the determination. Each Federal  
17          banking agency shall redact any confidential super-  
18          visory information about the insured depository in-  
19          stitution, any identifying facts about the institution,  
20          and any sensitive personally identifiable informa-  
21          tion.”.

22           “(2) INSURED CREDIT UNIONS.—Section 209 of  
23          the Federal Credit Union Act (12 U.S.C. 1789) is  
24          amended by adding at the end the following:

1       “(c) TIMELINESS OF REQUIRED PERMISSION, REGU-  
2 LATORY, AND REPORTING GUIDANCE.—

3               “(1) REQUEST FOR PERMISSION OR GUID-  
4 ANCE.—An insured credit union may request a writ-  
5 ten determination by the Board of—

6                       “(A) the Board’s permission to take an ac-  
7 tion where permission is mandated by regula-  
8 tion;

9                       “(B) the Board’s interpretation of a law or  
10 regulation; and

11                      “(C) the Board’s interpretation of gen-  
12 erally accepted accounting principles or other  
13 accounting objectives, standards, and require-  
14 ments.

15               “(2) CONTENTS OF REQUEST.—A request made  
16 under paragraph (1) shall be in writing and con-  
17 tain—

18                      “(A) the nature of the request;

19                      “(B) applicable facts relating to the mat-  
20 ter;

21                      “(C) applicable law, regulation, or gen-  
22 erally accepted accounting principles relating to  
23 the matter; and

24                      “(D) a summary of the request.

1           “(3) RESPONSE TO REQUEST.—The Board,  
2           upon receiving a request under paragraph (1) shall,  
3           not later than 30 days after receiving the request—

4                   “(A) provide the insured credit union mak-  
5                   ing the request with written notification that  
6                   the Board received the request and stating  
7                   whether the request contains the information  
8                   required under paragraph (2); and

9                   “(B) if the request does not contain the in-  
10                  formation required under paragraph (2), pro-  
11                  vide the insured credit union with an expla-  
12                  nation of what information is missing.

13           “(4) PROVIDING MISSING INFORMATION.—If  
14           the Board informs the insured credit union under  
15           paragraph (3) that the request does not contain all  
16           the information required under paragraph (2), the  
17           insured credit union may provide the missing infor-  
18           mation to the Board during the 30-day period begin-  
19           ning on the date the insured credit union receives  
20           the explanation of the missing information under  
21           paragraph (3).

22           “(5) DETERMINATION.—The Board shall make  
23           a determination on a request made under paragraph  
24           (1) and provide the insured credit union with a writ-  
25           ten notice of such determination—

1           “(A) if the initial request contains the in-  
2           formation required under paragraph (2), not  
3           later than the end of the 60-day period begin-  
4           ning on the date the Board notifies the insured  
5           credit union of the receipt of the request under  
6           paragraph (3); or

7           “(B) if the initial request does not contain  
8           the information required under paragraph (2)—

9                   “(i) not later than the end of the 60-  
10                  day period beginning on the date that the  
11                  insured credit union provides the Board  
12                  with the missing information under para-  
13                  graph (4); or

14                   “(ii) if the insured credit union does  
15                  not provide the Board with the missing in-  
16                  formation within the 30-day period de-  
17                  scribed under paragraph (4), not later  
18                  than the end of the 60-day period begin-  
19                  ning on the end of such 30-day period.

20           “(6) REPORTS AND PUBLICATION.—The Board  
21           shall, within 120 days after making a determination  
22           under paragraph (5), publish a summary of the de-  
23           termination. The Board shall redact any confidential  
24           supervisory information about the insured credit  
25           union, any identifying facts about the credit union,

1 and any sensitive personally identifiable informa-  
2 tion.”.

3 **SEC. 402. UPDATE OF INDEPENDENT INTRA-AGENCY AP-**  
4 **PELLATE PROCESS FOR REVIEWING MATE-**  
5 **RIAL SUPERVISORY DETERMINATIONS.**

6 (a) UPDATE OF INDEPENDENT INTRA-AGENCY AP-  
7 PELLATE PROCESS.—Not later than 180 days after the  
8 date of enactment of this Act, the Board of Governors of  
9 the Federal Reserve System, the Comptroller of the Cur-  
10 rency, the Federal Deposit Insurance Corporation Board,  
11 and the National Credit Union Administration Board shall  
12 revise the independent intra-agency appellate process re-  
13 quired under section 309(a) of the Riegle Community De-  
14 velopment and Regulatory Improvement Act of 1994 (12  
15 U.S.C. 4806(a)).

16 (b) OFFICE OF SUPERVISORY APPEALS; APPEALS  
17 PROCESS.—Section 309 of the Riegle Community Devel-  
18 opment and Regulatory Improvement Act of 1994 (12  
19 U.S.C. 4806) is amended—

20 (1) by redesignating subsection (f) as sub-  
21 section (i); and

22 (2) by inserting after subsection (e) the fol-  
23 lowing:

24 “(f) OFFICE OF SUPERVISORY APPEALS.—The Fed-  
25 eral banking agencies and the National Credit Union Ad-



1 ministration shall each establish an Office of Supervisory  
2 Appeals to carry out the independent intra-agency appel-  
3 late process required under this section.

4 “(g) APPEALS OFFICIALS.—

5 “(1) APPOINTMENT.—The head of each of the  
6 Federal banking agencies and the National Credit  
7 Union Administration shall appoint appeals officials,  
8 in a number sufficient to fully staff the panels de-  
9 scribed under subsection (h), from among the fol-  
10 lowing classes of individuals:

11 “(A) Individuals who have financial insti-  
12 tutions regulatory agency experience.

13 “(B) Individuals who—

14 “(i) are a licensed attorney or a cer-  
15 tified public accountant authorized to prac-  
16 tice under the laws of a State, the District  
17 of Columbia, or a territory of the United  
18 States;

19 “(ii) have either academic or private  
20 sector experience;

21 “(iii) have relevant subject matter  
22 knowledge or work-related experience in  
23 the financial services sector, as determined  
24 by the agency making the appointment;  
25 and

1           “(iv) are not, and were not during the  
2           previous 10-year period, employed by a  
3           Federal banking agency, a Federal reserve  
4           bank, or the National Credit Union Ad-  
5           ministration.

6           “(C) Individuals—

7                 “(i) with at least 10 years private sec-  
8                 tor financial services senior management-  
9                 level experience; and

10                “(ii) recommended by—

11                   “(I) an insured depository insti-  
12                   tution;

13                   “(II) an insured credit union; or

14                   “(III) a trade association for  
15                   such institutions or credit unions.

16           “(2) TERM.—

17                 “(A) IN GENERAL.—Each appeals official  
18                 appointed under paragraph (1) shall serve for a  
19                 term of 3 years.

20                 “(B) TERM LIMITATION.—No individual  
21                 may be appointed under paragraph (1) to serve  
22                 more than 2 full terms.

23                 “(C) DISMISSAL.—An appeals official ap-  
24                 pointed under paragraph (1) may be removed  
25                 at any time by the appointing agency.

1       “(h) APPEALS PROCESS AND PANEL HEARING OF  
2 MATERIAL SUPERVISORY DETERMINATIONS.—

3               “(1) APPEAL TO THE HEAD OF SUPERVISION.—

4                       “(A) IN GENERAL.—An institution seeking  
5 an appeal of a material supervisory determina-  
6 tion shall—

7                               “(i) file a written appeal to the head  
8 of supervision for the agency not later than  
9 30 days after receiving the material super-  
10 visory determination from the agency; and

11                               “(ii) include in the appeal—

12                                       “(I) a clear and complete state-  
13 ment of all relevant facts and issues;

14                                       “(II) all arguments that the in-  
15 stitution wishes to present; and

16                                       “(III) all relevant and material  
17 documents that the institution wishes  
18 to be considered.

19               “(B) EXTENSION.—The institution may  
20 file a written request with the head of super-  
21 vision for an extension of the 30-day time pe-  
22 riod described under subparagraph (A)(i),  
23 which shall state good cause for granting the  
24 extension. Such request shall be granted in the  
25 sole discretion of the head of supervision.

1           “(C) INFORMATION MADE AVAILABLE TO  
2           INSTITUTION.—An institution seeking an ap-  
3           peal of a material supervisory determination  
4           may, not later than 7 days after receiving the  
5           material supervisory determination, request that  
6           the agency provide the institution with any in-  
7           formation relied upon by the agency in making  
8           the material supervisory determination. The  
9           agency shall provide that information to the in-  
10          stitution not later than 14 days after receiving  
11          the request.

12          “(2) CONSIDERATION OF APPEAL BY THE HEAD  
13          OF SUPERVISION.—

14               “(A) IN GENERAL.—A head of supervision  
15               receiving an appeal under paragraph (1) shall,  
16               after reviewing the information provided by the  
17               institution in such appeal—

18                       “(i) grant the appeal;

19                       “(ii) refer the appeal to a panel ap-  
20                       pointed under paragraph (3); or

21                       “(iii) deny the appeal.

22               “(B) NOTIFICATION.—A head of super-  
23               vision shall promptly inform the institution and  
24               the head of the agency after granting, referring,  
25               or denying an appeal under subparagraph (A).

1           “(C) RIGHT TO APPEAL DENIAL.—An in-  
2           stitution that has an appeal denied by the head  
3           of supervision under subparagraph (A) may ap-  
4           peal such denial to a panel appointed under  
5           paragraph (3).

6           “(3) APPOINTMENT OF PANEL.—

7           “(A) IN GENERAL.—With respect to each  
8           appeal referred by a head of supervision under  
9           paragraph (2)(A)(ii) or appealed by an institu-  
10          tion after a denial under paragraph (2)(A)(iii),  
11          the agency shall appoint a panel of 3 appeals  
12          officials to provide a recommendation on such  
13          appeal, with 1 of the 3 appeals officials being  
14          appointed to the panel from individuals in each  
15          of the classes described under subparagraphs  
16          (A), (B), and (C) of subsection (g)(1).

17          “(B) REPORTING PROHIBITION.—An ap-  
18          peals official may not be appointed to a panel  
19          under subparagraph (A) if the appeals official  
20          is reporting, or has reported, directly or indi-  
21          rectly, to the agency official who made the ma-  
22          terial supervisory determination under review.

23          “(4) PANEL HEARINGS.—

1           “(A) REQUEST FOR HEARING.—An institu-  
2           tion may request a hearing with the panel on  
3           the institution’s appeal by—

4                   “(i) making such request not later  
5                   than 7 days after the date on which the in-  
6                   stitution is informed the head of super-  
7                   vision referred an appeal to a panel under  
8                   paragraph (2); or

9                   “(ii) making such request in the insti-  
10                  tution’s appeal of a denial of the institu-  
11                  tion’s appeal under paragraph (2).

12           “(B) TIMING OF HEARING.—If an institu-  
13           tion requests a hearing, as described under sub-  
14           paragraph (A), the panel shall provide the insti-  
15           tution with a hearing on the institution’s appeal  
16           not later than 30 days after the date the hear-  
17           ing is requested, except the panel may, in the  
18           discretion of the panel or upon good cause  
19           shown, extend such deadline by up to 15 days.

20           “(C) RULEMAKING.—The Federal banking  
21           agencies and the National Credit Union Admin-  
22           istration shall each issue rules to establish pro-  
23           cedures for panel hearings described under this  
24           paragraph, including that—

1 “(i) the institution may appear at the  
2 hearing personally or through counsel;

3 “(ii) the institution may provide an  
4 oral and written presentation at the hear-  
5 ing;

6 “(iii) the panel may ask questions of  
7 any person participating in the hearing;

8 “(iv) the hearing may not involve—

9 “(I) taking testimony;

10 “(II) a cross-examination; and

11 “(III) discovery;

12 “(v) the hearing shall not governed by  
13 formal rules of evidence; and

14 “(vi) the panel shall have a verbatim  
15 transcript of the hearing prepared.

16 “(5) RECOMMENDATION BY PANEL.—

17 “(A) IN GENERAL.—A panel making a rec-  
18 ommendation on an appeal under this sub-  
19 section shall make the recommendation not  
20 later than—

21 “(i) 90 days after the date on which  
22 the appeal was referred by a head of su-  
23 pervision under paragraph (2)(A)(ii) or ap-  
24 pealed by an institution after a denial  
25 under paragraph (2)(A); or

1           “(ii) if the institution requested a  
2           hearing under paragraph (4), 60 days after  
3           the date on which the hearing concluded.

4           “(B) FORM OF RECOMMENDATION.—The  
5           panel may recommend—

6           “(i) that the material supervisory de-  
7           termination be continued, terminated, or  
8           otherwise modified; or

9           “(ii) that the material supervisory de-  
10          termination be remanded to the examiners  
11          to allow the examiners to consider addi-  
12          tional information presented in connection  
13          with the appeal.

14          “(C) NOTICE.—After a recommendation is  
15          made under subparagraph (A), the panel shall  
16          promptly notify the institution, the head of su-  
17          pervision of the agency, and the head of the  
18          agency of the recommendation, which shall con-  
19          tain a statement of the basis for the panel’s  
20          recommendation and identify the information  
21          on which the panel relied in reaching the rec-  
22          ommendation.

23          “(D) PUBLICATION.—A copy of each panel  
24          recommendation shall be posted on the agency’s  
25          public website as soon as practicable, with ex-



1           empt information redacted. If the panel deter-  
2           mines that redaction is insufficient to prevent  
3           improper disclosure, the recommendation may  
4           be presented in summary form.

5           “(E) STANDARD OF REVIEW.—A panel’s  
6           review of a material supervisory determination  
7           being appealed under this subsection shall be de  
8           novo.

9           “(F) NO AUTHORITY TO DELAY OR STAY  
10          ORDERS.—A panel shall have no authority to  
11          delay or stay the implementation of any formal  
12          order from the applicable agency.

13          “(6) REVIEW BY THE HEAD OF THE AGENCY.—

14                 “(A) RESPONSE BY INSTITUTION.—Not  
15                 later than 15 days after receiving a notice of a  
16                 recommendation under paragraph (5)(C), the  
17                 institution may submit to the head of the agen-  
18                 cy written exceptions to the recommended deci-  
19                 sion.

20                 “(B) REVIEW BY HEAD OF THE AGEN-  
21                 CY.—Not later than 45 days after receiving a  
22                 notice of a recommendation under paragraph  
23                 (5)(C), the head of an agency shall review such  
24                 decision and either ratify or reject the panel’s  
25                 decision.

1           “(C) REVIEW MAY NOT BE DELEGATED.—

2           A review by the head of an agency under this  
3           paragraph may not be delegated to any other  
4           employee of the agency and, in the case of an  
5           agency that is headed by a body made up of  
6           multiple individuals, all such individuals shall  
7           participate in the review.

8           “(D) REPORTS TO CONGRESS.—The Fed-  
9           eral banking agencies and the National Credit  
10          Union Administration shall each, not later than  
11          90 days after the end of each calendar year,  
12          issue a report to the Committee on Financial  
13          Services of the House of Representatives and  
14          the Committee on Banking, Housing, and  
15          Urban Affairs of the Senate describing the ac-  
16          tions taken by the agency under this paragraph  
17          during such calendar year, including informa-  
18          tion on each of the panel decisions reviewed,  
19          after redacting any confidential supervisory in-  
20          formation.

21          “(E) PUBLICATION.—A copy of each deci-  
22          sion by the head of the agency under this para-  
23          graph shall be posted on the agency’s public  
24          website as soon as practicable, with exempt in-  
25          formation redacted. If the head of the agency

1           determinates that redaction is insufficient to  
2           prevent improper disclosure, the decision may  
3           be presented in summary form.

4           “(7) RIGHT TO JUDICIAL REVIEW.—An institu-  
5           tion shall have the right to petition for review of an  
6           agency head’s decision under paragraph (6) by filing  
7           a petition for review not later than 60 days after the  
8           date on which the decision was made in the United  
9           States Court of Appeals for the District of Columbia  
10          Circuit or the circuit in which the institution is lo-  
11          cated.

12          “(8) RETALIATION PROHIBITED.—The Federal  
13          banking agencies and the National Credit Union Ad-  
14          ministration may not—

15                 “(A) retaliate against an insured depository  
16                 institution or insured credit union, or a  
17                 service provider or institution-affiliated party of  
18                 an insured depository institution or insured  
19                 credit union, for exercising rights under this  
20                 subsection; or

21                 “(B) delay or deny any agency action that  
22                 would benefit an insured depository institution  
23                 or insured credit union, or a service provider or  
24                 institution-affiliated party of an insured depository  
25                 institution or insured credit union, on the

1 basis that a matter under this section is pend-  
2 ing under this section.

3 “(9) DEFINITIONS.—With respect to the appeal  
4 of a material supervisory determination under this  
5 subsection:

6 “(A) AGENCY.—The term ‘agency’ means  
7 the Federal agency, either a Federal banking  
8 agency or the National Credit Union Adminis-  
9 tration, that made the material supervisory de-  
10 termination.

11 “(B) INSTITUTION.—The term ‘institution’  
12 means the company, either an insured deposi-  
13 tory institution or an insured credit union, with  
14 respect to which the material supervisory deter-  
15 mination was made.”.

16 **SEC. 403. REVIEW OF RESOLUTION ACTIONS RESULTING IN**  
17 **A MATERIAL LOSS.**

18 Section 38(k) of the Federal Deposit Insurance Act  
19 (12 U.S.C. 1831o(k)) is amended by adding at the end  
20 the following:

21 “(7) REVIEW OF RESOLUTION ACTIONS BY COR-  
22 PORATION INSPECTOR GENERAL.—

23 “(A) IN GENERAL.—If the Deposit Insur-  
24 ance Fund incurs a material loss with respect

1 to an insured depository institution, the inspec-  
2 tor general of the Corporation shall—

3 “(i) review the Corporation’s resolu-  
4 tion of the institution to determine whether  
5 the material loss to the Deposit Insurance  
6 Fund could have been avoided by the Cor-  
7 poration when resolving the institution;  
8 and

9 “(ii) make a written report to the  
10 Corporation and the Congress containing  
11 the results of such review and any rec-  
12 ommendations for preventing a material  
13 loss to the Deposit Insurance Fund in the  
14 future when resolving an institution.

15 “(B) TESTIMONY TO CONGRESS.—If the  
16 inspector general of the Corporation deter-  
17 mines, in a review carried out under subpara-  
18 graph (A) that the Corporation’s resolution of  
19 an institution caused a material loss to the De-  
20 posit Insurance Fund, but such resolution could  
21 have been carried out in a manner to avoid  
22 such a material loss, the Chairperson of the  
23 Corporation shall testify before the Committee  
24 on Financial Services of the House of Rep-  
25 resentatives and the Committee on Banking,

1           Housing, and Urban Affairs of the Senate to  
2           explain why the material loss occurred.”.

3       **TITLE V—REVIEW OF DISCOUNT**  
4           **WINDOW OPERATIONS**

5       **SEC. 501. REVIEW OF DISCOUNT WINDOW OPERATIONS.**

6           Section 10 of the Federal Reserve Act (12 U.S.C. 241  
7 et seq.) is amended—

8           (1) by redesignating paragraph (12) as para-  
9           graph (11); and

10          (2) by adding at the end the following:

11           “(12) REVIEW OF DISCOUNT WINDOW OPER-  
12           ATIONS.—

13           “(A) IN GENERAL.—Not later than 60  
14           days after the date of enactment of this para-  
15           graph, the Board of Governors shall commence  
16           a review of the discount window lending pro-  
17           grams of the Federal reserve banks (the ‘dis-  
18           count window’), and shall complete such review  
19           not later than 240 days after the date of enact-  
20           ment of this paragraph.

21           “(B) CONTENTS.—The review required by  
22           subparagraph (A) shall include a consideration  
23           of—

24           “(i) the effectiveness of the discount  
25           window in providing liquidity to financial

1 institutions, including in times of financial  
2 stress;

3 “(ii) whether the technology infra-  
4 structure, including means of communica-  
5 tions, are sufficient to support the timely  
6 provision of liquidity, including in times of  
7 financial stress;

8 “(iii) the effectiveness of cybersecurity  
9 measures;

10 “(iv) the effectiveness of communica-  
11 tions between Federal reserve banks re-  
12 garding discount window operations;

13 “(v) the effectiveness of the Board of  
14 Governors in providing oversight of the  
15 discount window;

16 “(vi) how the discount window inter-  
17 acts with other providers of liquidity, in-  
18 cluding the Federal Home Loan Banks,  
19 during both normal operations and times  
20 of financial distress; and

21 “(vii) the effectiveness of existing dis-  
22 count window operating hours and whether  
23 such hours should be expanded, taking into  
24 account the interaction between discount  
25 window operating hours and the operating

1 hours of payment systems of the Board of  
2 Governors and Federal reserve banks, such  
3 as FedWire and FedNow.

4 “(C) PUBLIC COMMENT.—In carrying out  
5 the review required by subparagraph (A), the  
6 Board of Governors shall provide the public  
7 with an opportunity to comment on the effec-  
8 tiveness of discount window operations and to  
9 offer suggestions for improving operations.

10 “(D) REMEDIATION PLAN.—After com-  
11 pleting the review required by subparagraph (A)  
12 and considering any public comments received  
13 pursuant to subparagraph (C), the Board of  
14 Governors shall develop, and approve by a vote  
15 of the Board of Governors, a written plan to re-  
16 mediate any identified deficiencies or areas for  
17 enhancing effectiveness of the discount window,  
18 which shall include—

19 “(i) an identification of actions that  
20 the Board of Governors will take to reme-  
21 diate those deficiencies;

22 “(ii) timelines and milestones for im-  
23 plementing the plan and measures to dem-  
24 onstrate how the Board of Governors will



1 maintain implemented improvements on an  
2 ongoing basis; and

3 “(iii) measures of managing and con-  
4 trolling deficiencies until the plan is imple-  
5 mented in full.

6 “(E) REPORT TO CONGRESS ON REVIEW  
7 AND PLAN.—

8 “(i) IN GENERAL.—Not later than  
9 365 days after the date of enactment of  
10 this paragraph, the Board of Governors  
11 shall, after approval by a vote of the Board  
12 of Governors, submit a report to the Com-  
13 mittee on Financial Services of the House  
14 of Representatives and the Committee on  
15 Banking, Housing, and Urban Affairs of  
16 the Senate containing—

17 “(I) the findings of the review re-  
18 quired by subparagraph (A); and

19 “(II) the remediation plan re-  
20 quired by subparagraph (D);

21 “(ii) CONSULTATION.—Before submit-  
22 ting the report required by clause (i), the  
23 Board of Governors shall—

24 “(I) provide a copy of the pro-  
25 posed report to the Comptroller Gen-

1           eral of the United States and the In-  
2           spector General of the Board of Gov-  
3           ernors of the Federal Reserve System  
4           and the Bureau of Consumer Finan-  
5           cial Protection; and

6                   “(II) provide the Comptroller  
7           General and Inspector General with  
8           an opportunity to provide feedback on  
9           the report.

10                   “(iii) TESTIMONY.—The Chairman of  
11           the Board of Governors shall testify before  
12           the Committee on Financial Services of the  
13           House of Representatives and the Com-  
14           mittee on Banking, Housing, and Urban  
15           Affairs of the Senate with respect to the  
16           contents of the report required under this  
17           subparagraph.

18                   “(F) ANNUAL REPORTS TO CONGRESS.—

19                   “(i) REPORTS BY THE BOARD.—The  
20           Board of Governors shall submit an annual  
21           report to the Committee on Financial Serv-  
22           ices of the House of Representatives and  
23           the Committee on Banking, Housing, and  
24           Urban Affairs of the Senate containing a

1 review of the effectiveness of discount win-  
2 dow operations.

3 “(ii) REPORTS BY THE INSPECTOR  
4 GENERAL.—The Inspector General of the  
5 Board of Governors of the Federal Reserve  
6 System and the Bureau of Consumer Fi-  
7 nancial Protection shall submit an annual  
8 report to the Committee on Financial Serv-  
9 ices of the House of Representatives and  
10 the Committee on Banking, Housing, and  
11 Urban Affairs of the Senate containing a  
12 report on the progress of the Board of  
13 Governors in implementing the remediation  
14 plan required by subparagraph (D).

15 “(G) CONFIDENTIAL REPORT INFORMA-  
16 TION.—Any report required under this para-  
17 graph may contain a confidential annex con-  
18 taining information that details any cybersecu-  
19 rity deficiencies or any deficiencies which, if  
20 made public, could cause financial instability.”.

1                   **TITLE VI—SMALL BANK**  
2                   **HOLDING COMPANY RELIEF**

3   **SEC. 601. CHANGES REQUIRED TO THE SMALL BANK HOLD-**  
4                   **ING COMPANY AND SAVINGS AND LOAN**  
5                   **HOLDING COMPANY POLICY STATEMENT.**

6           Not later than 180 days after the date of enactment  
7 of this Act, the Board of Governors of the Federal Reserve  
8 System shall revise appendix C to part 225 of title 12,  
9 Code of Federal Regulations (commonly known as the  
10 “Small Bank Holding Company and Savings and Loan  
11 Holding Company Policy Statement”), to raise the consoli-  
12 dated asset threshold under that appendix to  
13 \$10,000,000,000 for any bank holding company or savings  
14 and loan holding company.

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