

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 5270
OFFERED BY MR. HUIZENGA OF MICHIGAN

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Stress Testing Ac-
3 countability and Transparency Act”.

**4 SEC. 2. RULEMAKING RELATED TO STRESS CAPITAL BUFF-
5 ER REQUIREMENTS.**

6 (a) IN GENERAL.—Not later than 90 days after the
7 date of the enactment of this section, the Board of Gov-
8 ernors of the Federal Reserve System (in this Act referred
9 to as the “Board”) shall issue a rule—

10 (1) establishing the models, assumptions, for-
11 mulas, and other decisional methodologies that are
12 used to conduct any stress test pursuant to section
13 165(i) of the Financial Stability Act of 2010 (12
14 U.S.C. 5365(i)), including any such test that is used
15 to determine any component or subcomponent of the
16 stress capital buffer requirement for a covered com-
17 pany; and

1 (2) to determine, where the Board has super-
2 visory stress test results from two or more periodic
3 analyses of a covered company, the covered com-
4 pany's stress capital buffer requirement on the basis
5 of supervisory stress test results from two or more
6 periodic analyses of that covered company.

7 (b) CHANGES.—The Board may only make material
8 changes to the methodologies established in the rule issued
9 under subsection (a)(1) through notice and comment rule-
10 making.

11 (c) NO DOUBLE-COUNT.—The Board shall ensure no
12 double-count of capital requirements for the same risks
13 in the stress capital buffer requirement and the risk-based
14 capital requirements.

15 (d) DEFINITIONS.—In this section:

16 (1) COVERED COMPANY.—The term “covered
17 company” means a company to which section 225.8
18 of title 12, Code of Federal Regulations, or section
19 238.170 of title 12, Code of Federal Regulations,
20 applies.

21 (2) STRESS CAPITAL BUFFER REQUIREMENT.—
22 The term “stress capital buffer requirement” has
23 the meaning given that term under—

24 (A) section 225.8(d) of title 12, Code of
25 Federal Regulations; and

1 (B) section 238.170(d) of title 12, Code of
2 Federal Regulations.

3 (e) RULE OF CONSTRUCTION.—Nothing in this sec-
4 tion may be construed to imply that the Board is required
5 to establish a stress capital buffer requirement for any
6 bank holding company or any other company regulated by
7 the Board.

8 **SEC. 3. RULEMAKING RELATING TO STRESS TESTING.**

9 (a) IN GENERAL.—Beginning in the first calendar
10 year beginning after the date of the enactment of this sec-
11 tion, the Board shall, not less than 60 days before con-
12 ducting a stress test pursuant to section 165(i) of the Fi-
13 nancial Stability Act of 2010, publicly disclose each sce-
14 nario to be used in such stress test.

15 (b) PROHIBITION.—The Board may not, by rule or
16 otherwise, subject any nonbank financial company or bank
17 holding company to a climate-related stress test using the
18 authority provided in section 165(i) of the Financial Sta-
19 bility Act of 2010.

20 **SEC. 4. GAO REPORT.**

21 (a) IN GENERAL.—The Comptroller General of the
22 United States shall, every 3 years, conduct a study and
23 submit a report to the Congress with respect to the stress
24 tests conducted by the Board under section 165(i) of the

1 Financial Stability Act of 2010 in the 3 most recent cal-
2 endar years.

3 (b) CONTENTS.—The report submitted to the Con-
4 gress under subsection (a) shall consider the effectiveness
5 of the stress tests in evaluating—

6 (1) the safety and soundness of the nonbank fi-
7 nancial companies and bank holding companies sub-
8 jected to stress tests; and

9 (2) the stability of the United States financial
10 system.

