

[DISCUSSION DRAFT]

116TH CONGRESS
1ST SESSION

H. R. 4841

To require the prudential banking regulators to provide annual testimony to Congress on their supervision and regulation activities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To require the prudential banking regulators to provide annual testimony to Congress on their supervision and regulation activities, 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.**

4 This Act may be cited as the “Prudential Regulator
5 Oversight Act”.

1 **SEC. 3. ANNUAL TESTIMONY OF PRUDENTIAL REGU-**
2 **LATORS.**

3 (a) IN GENERAL.—The Dodd-Frank Wall Street Re-
4 form and Consumer Protection Act (12 U.S.C. 5301 et
5 seq.) is amended by adding at the end of title VI the fol-
6 lowing:

7 **“SEC. 629. ANNUAL TESTIMONY OF PRUDENTIAL REGU-**
8 **LATORS.**

9 “(a) SEMI-ANNUAL REPORT.—

10 “(1) IN GENERAL.—The prudential regulators
11 shall each issue a semi-annual report to the Com-
12 mittee on Banking, Housing, and Urban Affairs of
13 the Senate and the Committee on Financial Services
14 of the House of Representatives regarding the ef-
15 forts, activities, objectives, and plans of the regu-
16 lator with respect to the conduct of supervision and
17 regulation of depository institution holding compa-
18 nies, depository institutions, and credit unions.

19 “(2) SPECIFIC CONTENTS.—Each report re-
20 quired under paragraph (1) shall include a descrip-
21 tion of—

22 “(A) the safety and soundness of deposi-
23 tory institution holding companies, depository
24 institutions, and credit unions, including cap-
25 ital, liquidity, leverage, stress testing, and living
26 wills, as applicable;

1 “(B) the examination and supervision of
2 depository institution holding companies, depository
3 institutions, and credit unions, particularly G-SIBs, including a detailed description of
4 enforcement actions taken during the reporting
5 period, and a description of the regulator’s exercise of all available tools beyond imposing
6 fines to ensure compliance with all applicable
7 laws and regulations, as well as actions to ensure
8 accountability for culpable executives;
9

10 “(C) emerging risks that may affect depository
11 institutions and potential threats to the financial
12 stability of the United States, and any
13 actions the regulator took in coordination with
14 the Office of Financial Research, to identify
15 and mitigate those threats;
16

17 “(D) any recent actions taken by the regulator
18 as a voting member of the Financial Stability
19 Oversight Council and any updates related to
20 authorities the regulator has under title
21 I or title VIII of this Act with respect to enhanced
22 prudential standards and supervision of
23 large bank holding companies and firms designated
24 by the Financial Stability Oversight
25 Council;

1 “(E) the implementation of the regulator’s
2 diversity and inclusion efforts, including its im-
3 plementation of section 342 of this Act and the
4 regulator’s compliance with section 308 of the
5 Financial Institutions Reform, Recovery, and
6 Enforcement Act of 1989 with respect to mi-
7 nority depository institutions;

8 “(F) the implementation of the Community
9 Reinvestment Act of 1977, including informa-
10 tion on examinations, guidance, and regula-
11 tions;

12 “(G) any mandatory provision of law that
13 has not been implemented yet by the regulator,
14 including the date on which the mandatory pro-
15 vision will be implemented;

16 “(H) an overview of the mergers and ac-
17 quisitions process, including data and descrip-
18 tions of any mergers and acquisitions approved
19 during the reporting period;

20 “(I) examinations for Bank Secrecy Act
21 and anti-money laundering compliance, as well
22 as coordination with the Financial Crimes En-
23 forcement Network and appropriate commu-
24 nication with depository institutions and credit
25 unions;

1 “(J) the utilization of financial technology
2 as it relates to depository institution holding
3 companies, depository institutions, and credit
4 unions regulated by the regulator, including the
5 use of various technologies by depository insti-
6 tutions and credit unions as well as partner-
7 ships with third-party companies; and

8 “(K) cybersecurity of depository institution
9 holding companies, depository institutions, and
10 credit unions, including steps taken to enhance
11 cyber readiness and strengthen the protection
12 of consumer data.

13 “(b) TESTIMONY.—

14 “(1) IN GENERAL.—The prudential regulators
15 shall each appear before the Committee on Banking,
16 Housing, and Urban Affairs of the Senate and the
17 Committee on Financial Services of the House of
18 Representatives at an annual hearing to testify with
19 respect to the reports required under subsection (a).

20 “(2) VICE CHAIRMAN FOR SUPERVISION.—The
21 Vice Chairman for Supervision of the Board of Gov-
22 ernors shall appear before the Committee on Bank-
23 ing, Housing, and Urban Affairs of the Senate and
24 the Committee on Financial Services of the House of
25 Representatives at an semiannual hearing to testify

1 with respect to the reports required under subsection
2 (a). Any such appearance shall satisfy the require-
3 ments of section 10(12) of the Federal Reserve Act.

4 “(c) DEFINITIONS.—In this section:

5 “(1) BANK SECRECY ACT.—The term ‘Bank Se-
6 crecy Act’ means—

7 “(A) section 21 of the Federal Deposit In-
8 surance Act;

9 “(B) chapter 2 of title I of Public Law 91–
10 508; and

11 “(C) subchapter II of chapter 53 of title
12 31, United States Code;

13 “(2) G-SIB.—The term ‘G-SIB’ means a global
14 systemically important bank holding company, as
15 such term is defined under section 217.402 of title
16 12, Code of Federal Regulations.

17 “(3) PRUDENTIAL REGULATORS.—The term
18 ‘prudential regulators’ means the Vice Chairman for
19 Supervision of the Board of Governors, the Comp-
20 troller of the Currency, the Chairperson of the Cor-
21 poration, and the Chairman of the National Credit
22 Union Administration Board.”.

23 (b) CLERICAL AMENDMENT.—The table of contents
24 under section 1(b) of the Dodd-Frank Wall Street Reform

1 and Consumer Protection Act is amended by inserting
2 after the item relating to section 628 the following:

“Sec. 629. Annual testimony of prudential regulators.”.