

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

OCTOBER 23, 2019

Mr. PHILLIPS (for himself, Mr. LOUDERMILK, and Mrs. BEATTY) 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”.

6 **SEC. 2. ANNUAL TESTIMONY OF PRUDENTIAL REGU-**
7 **LATORS.**

8 (a) IN GENERAL.—The Dodd-Frank Wall Street Re-
9 form and Consumer Protection Act (12 U.S.C. 5301 et

1 seq.) is amended by adding at the end of title VI the fol-
2 lowing:

3 **“SEC. 629. ANNUAL TESTIMONY OF PRUDENTIAL REGU-**
4 **LATORS.**

5 “(a) SEMI-ANNUAL REPORT.—

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

15 “(2) SPECIFIC CONTENTS.—Each report re-
16 quired under paragraph (1) shall include a descrip-
17 tion of—

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

23 “(B) the examination and supervision of
24 depository institution holding companies, deposi-
25 tory institutions, and credit unions, particu-

1 larly G-SIBs, including a detailed description
2 of enforcement actions taken during the report-
3 ing period, and a description of the regulator’s
4 exercise of all available tools beyond imposing
5 fines to ensure compliance with all applicable
6 laws and regulations, as well as actions to en-
7 sure accountability for culpable executives;

8 “(C) emerging risks that may affect depos-
9 itory institutions and potential threats to the fi-
10 nancial stability of the United States, and any
11 actions the regulator took in coordination with
12 the Office of Financial Research, to identify
13 and mitigate those threats;

14 “(D) any recent actions taken by the regu-
15 lator as a voting member of the Financial Sta-
16 bility Oversight Council and any updates re-
17 lated to authorities the regulator has under title
18 I or title VIII of this Act with respect to en-
19 hanced prudential standards and supervision of
20 large bank holding companies and firms des-
21 ignated by the Financial Stability Oversight
22 Council;

23 “(E) the implementation of the regulator’s
24 diversity and inclusion efforts, including its im-
25 plementation of section 342 of this Act and the

1 regulator’s compliance with section 308 of the
2 Financial Institutions Reform, Recovery, and
3 Enforcement Act of 1989 with respect to mi-
4 nority depository institutions;

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

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

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

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

23 “(J) the utilization of financial technology
24 as it relates to depository institution holding
25 companies, depository institutions, and credit

1 unions regulated by the regulator, including the
2 use of various technologies by depository insti-
3 tutions and credit unions as well as partner-
4 ships with third-party companies; and

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

10 “(b) TESTIMONY.—

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

17 “(2) VICE CHAIRMAN FOR SUPERVISION.—The
18 Vice Chairman for Supervision of the Board of Gov-
19 ernors shall appear before the Committee on Bank-
20 ing, Housing, and Urban Affairs of the Senate and
21 the Committee on Financial Services of the House of
22 Representatives at an semiannual hearing to testify
23 with respect to the reports required under subsection
24 (a). Any such appearance shall satisfy the require-
25 ments of section 10(12) of the Federal Reserve Act.

1 “(c) DEFINITIONS.—In this section:

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

4 “(A) section 21 of the Federal Deposit In-
5 surance Act;

6 “(B) chapter 2 of title I of Public Law 91-
7 508; and

8 “(C) subchapter II of chapter 53 of title
9 31, United States Code;

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

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

20 (b) CLERICAL AMENDMENT.—The table of contents
21 under section 1(b) of the Dodd-Frank Wall Street Reform
22 and Consumer Protection Act is amended by inserting
23 after the item relating to section 628 the following:

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

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