

116TH CONGRESS  
2D SESSION

# H. R. 6934

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 22, 2020

Received; read twice and referred to the Committee on Banking, Housing, and  
Urban Affairs

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## AN ACT

To amend the CARES Act to require the uniform treatment of nationally recognized statistical rating organizations under certain programs carried out in response to the COVID–19 emergency, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Uniform Treatment  
3 of NRSROs Act”.

4 **SEC. 2. UNIFORM TREATMENT OF NRSROS.**

5 (a) IN GENERAL.—Section 4003 of the CARES Act  
6 (15 U.S.C. 9042), as amended by section 902, is further  
7 amended by adding at the end the following:

8 “(m) UNIFORM TREATMENT OF NRSROS.—

9 “(1) IN GENERAL.—If, in carrying out this sec-  
10 tion or any other program making use of a facility  
11 established under section 13(3) of the Federal Re-  
12 serve Act in response to the COVID–19 emergency,  
13 the Secretary of the Treasury or the Board of Gov-  
14 ernors of the Federal Reserve System establishes a  
15 requirement for an entity, security, or other instru-  
16 ment to carry a minimum credit rating, the Sec-  
17 retary or the Board of Governors shall accept credit  
18 ratings provided by any nationally recognized statis-  
19 tical rating organization with respect to such entity,  
20 security, or other instrument, if the nationally recog-  
21 nized statistical rating organization is registered  
22 with the Securities and Exchange Commission to  
23 issue credit ratings with respect to the applicable  
24 asset class of the entity, security, or other instru-  
25 ment.

26 “(2) EXCEPTION.—

1           “(A) IN GENERAL.—The Secretary or the  
2           Board of Governors may exclude a nationally  
3           recognized statistical rating organization from  
4           the application of paragraph (1) if, in consulta-  
5           tion with the Securities and Exchange Commis-  
6           sion, the Secretary or Board of Governors, as  
7           applicable, determines that the nationally recog-  
8           nized statistical rating organization is unable to  
9           provide reliable and accurate ratings for a par-  
10          ticular asset class and that such exclusion is in  
11          the public interest.

12          “(B) REPORT.—If the Secretary or the  
13          Board of Governors excludes a nationally recog-  
14          nized statistical rating organization from the  
15          application of paragraph (1) pursuant to sub-  
16          paragraph (A), the Secretary or Board of Gov-  
17          ernors, as applicable, shall, as soon as prac-  
18          ticable after such exclusion, disclose to the pub-  
19          lic the reasoning for such exclusion.

20          “(3) NATIONALLY RECOGNIZED STATISTICAL  
21          RATING ORGANIZATION.—In this subsection, the  
22          term ‘nationally recognized statistical rating organi-  
23          zation’ has the meaning given that term under sec-  
24          tion 3 of the Securities Exchange Act of 1934 (15  
25          U.S.C. 78e).”.

1 (b) GAO STUDY.—

2 (1) STUDY.—The Comptroller General of the  
3 United States shall carry out a study on—

4 (A) the quality of credit ratings across na-  
5 tionally recognized statistical ratings organiza-  
6 tions (as defined under section 3 of the Securi-  
7 ties Exchange Act of 1934), including during  
8 the 2008 economic crisis;

9 (B) the effect of competition on the quality  
10 of credit ratings and on the ability of small-  
11 and mid-size companies and financial institu-  
12 tions to access the capital markets; and

13 (C) the implementation of the amendment  
14 made by subsection (a).

15 (2) REPORT.—Not later than one year after the  
16 date of enactment of this Act, the Comptroller Gen-  
17 eral shall issue a report to the Congress containing  
18 all finding and determinations made in carrying out  
19 the study required under paragraph (1).

Passed the House of Representatives September 21,  
2020.

Attest:

CHERYL L. JOHNSON,

*Clerk.*