

116TH CONGRESS
1ST SESSION

S. 603

To amend the Financial Stability Act of 2010 to require the Financial Stability Oversight Council to consider alternative approaches before determining that a U.S. nonbank financial company shall be supervised by the Board of Governors of the Federal Reserve System, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 28, 2019

Mr. ROUNDS (for himself, Mr. JONES, Mr. TILLIS, and Ms. SINEMA) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Financial Stability Act of 2010 to require the Financial Stability Oversight Council to consider alternative approaches before determining that a U.S. nonbank financial company shall be supervised by the Board of Governors of the Federal Reserve 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.**

4 This Act may be cited as the “Financial Stability
5 Oversight Council Improvement Act of 2019”.

1 **SEC. 2. FINANCIAL STABILITY OVERSIGHT COUNCIL.**

2 Section 113 of the Financial Stability Act of 2010
3 (12 U.S.C. 5323) is amended—

4 (1) in subsection (a)—

5 (A) in paragraph (1), by striking “The
6 Council” and inserting “Subject to paragraph
7 (3), the Council”; and

8 (B) by adding at the end the following:

9 “(3) INITIAL DETERMINATION.—The Council
10 may not vote on a proposed determination with re-
11 spect to a U.S. nonbank financial company under
12 paragraph (1) unless the Council first determines, in
13 consultation with the company and the primary fi-
14 nancial regulatory agency with respect to the com-
15 pany, that a different action by the Council or the
16 agency (including the application of new or height-
17 ened standards and safeguards under section 120),
18 or by the company under a written plan that is sub-
19 mitted promptly to the Council, is impracticable or
20 insufficient to mitigate the threat that the company
21 could pose to the financial stability of the United
22 States.”; and

23 (2) in subsection (f)(1), by striking “subsection
24 (e)” and inserting “subsections (a)(3) and (e)”.

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