

119TH CONGRESS
2^D SESSION

H. R. 3682

AN ACT

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 2025”.

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

7 Section 113 of the Financial Stability Act of 2010
8 (12 U.S.C. 5323) is amended—

9 (1) in subsection (a)—

10 (A) in paragraph (1), by striking “The
11 Council” and inserting “Subject to paragraph
12 (3), the Council”; and

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

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

1 nancial distress at the company, or the nature,
2 scope, size, scale, concentration, interconnectedness,
3 or mix of the activities of the company, could pose
4 to the financial stability of the United States.”; and
5 (2) in subsection (f)(1), by striking “subsection
6 (e)” and inserting “subsections (a)(3) and (e)”.

Passed the House of Representatives February 9,
2026.

Attest:

Clerk.

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