

119TH CONGRESS
1ST SESSION

H. R. 3716

IN THE SENATE OF THE UNITED STATES

DECEMBER 2, 2025

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

AN ACT

To amend the Federal Deposit Insurance Act to require reports on the use of the systemic risk authority applicable to winding up a failed insured depository institution, 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 “Systemic Risk Author-
3 ity Transparency Act”.

4 **SEC. 2. BANK FAILURE TRANSPARENCY RELATED TO SYS-**
5 **TEMIC RISK EXCEPTION.**

6 (a) GAO REVIEW.—Section 13(c)(4)(G)(iv) of the
7 Federal Deposit Insurance Act (12 U.S.C.
8 1823(c)(4)(G)(iv)) is amended to read as follows:

9 “(iv) GAO REVIEW.—

10 “(I) IN GENERAL.—The Comp-
11 troller General of the United States
12 shall, not later than 60 days after a
13 determination is made under clause
14 (i), and again 180 days thereafter, re-
15 view and report to the Congress on
16 the determination under clause (i), in-
17 cluding—

18 “(aa) the basis for the deter-
19 mination;

20 “(bb) the purpose for which
21 any action was taken pursuant to
22 such clause;

23 “(cc) the likely effect of the
24 determination and such action on
25 the incentives and conduct of in-

1 sured depository institutions and
2 uninsured depositors;

3 “(dd) any mismanagement
4 by the executives and board of
5 the insured depository institution
6 that contributed to the failure of
7 the insured depository institu-
8 tion;

9 “(ee) a review of the com-
10 pensation practices of the insured
11 depository institution;

12 “(ff) any supervisory or reg-
13 ulatory shortcomings with respect
14 to the appropriate Federal bank-
15 ing agency of the insured deposi-
16 tory institution;

17 “(gg) any actions taken by
18 the Federal banking regulators,
19 Financial Stability Oversight
20 Council, Department of the
21 Treasury, and other relevant fi-
22 nancial regulators in relation to
23 the failure of the insured deposi-
24 tory institution; and

1 “(hh) any additional rel-
2 evant entities or activities that
3 may have contributed to the fail-
4 ure of the insured depository in-
5 stitution, including with respect
6 to auditing, accounting, credit
7 rating agencies, investment bank
8 underwriters, and emergency li-
9 quidity options such as loans
10 from the Federal reserve banks
11 or advances through the Federal
12 Home Loan Bank system.

13 “(II) RULE OF CONSTRUC-
14 TION.—Nothing in this clause or a re-
15 port issued pursuant to this clause
16 may be construed to limit the author-
17 ity of a Federal agency to enforce vio-
18 lations of Federal statutes, rules, or
19 orders.”.

20 (b) APPROPRIATE FEDERAL BANKING AGENCY RE-
21 PORT.—Section 13(c) of the Federal Deposit Insurance
22 Act (12 U.S.C. 1823(c)) is amended by adding at the end
23 the following:

24 “(12) APPROPRIATE FEDERAL BANKING AGEN-
25 CY REPORT.—

1 “(A) IN GENERAL.—The appropriate Fed-
2 eral banking agency of an insured depository
3 institution about which a determination is made
4 under paragraph (4)(G)(i) shall, not later than
5 90 days after the date of such determination,
6 and again 210 days thereafter, submit a report
7 to the Congress that discloses the following:

8 “(i) Subject to such redactions as the
9 appropriate Federal banking agency deter-
10 mines appropriate of personally identifiable
11 information about customers and other fi-
12 nancial institutions (as such term is de-
13 fined under section 11(e)(9)(D)), all—

14 “(I) reports of examination and
15 inspection that relate to the failed in-
16 sured depository institution in the
17 previous 3-year period;

18 “(II) formal communications of a
19 material supervisory determination
20 conveyed to the failed insured deposi-
21 tory institution in the previous 3-year
22 period; and

23 “(III) any additional exam re-
24 ports and correspondence that the ap-
25 propriate Federal banking agency de-

1 termines may be relevant to the fail-
2 ure of the insured depository institu-
3 tion.

4 “(ii) An examination of any mis-
5 management by the executives and board
6 of the insured depository institution that
7 contributed to the failure of the insured
8 depository institution.

9 “(iii) Any supervisory or regulatory
10 shortcomings by such appropriate Federal
11 banking agency with respect to the insured
12 depository institution.

13 “(iv) Any dynamics that the appro-
14 priate Federal banking agency determines
15 may have contributed to the failure of the
16 insured depository institution.

17 “(v) Any supervisory, regulatory, or
18 legislative recommendations such appro-
19 priate Federal banking agency may have to
20 improve the safety and soundness of simi-
21 larly situated insured depository institu-
22 tions, the banking system, and financial
23 stability.

24 “(B) PROTECTION OF SENSITIVE INFOR-
25 MATION.—

1 “(i) EFFECT ON PRIVILEGE.—The
2 provision of any information by a Federal
3 banking agency under this paragraph may
4 not be construed as—

5 “(I) waiving, destroying, or oth-
6 erwise affecting any privilege applica-
7 ble to the information; or

8 “(II) waiving any exemption ap-
9 plicable to the information under sec-
10 tion 552 of title 5, United States
11 Code (commonly known as the ‘Free-
12 dom of Information Act’).

13 “(ii) TRANSPARENCY.—

14 “(I) IN GENERAL.—A Federal
15 banking agency shall publish mate-
16 rials contained in a report required
17 under subparagraph (A) to the fullest
18 extent possible to promote trans-
19 parency.

20 “(II) CONSULTATION ON OMIT-
21 TING MATERIALS.—If a Federal bank-
22 ing agency determines particular ma-
23 terials described under subclause (I)
24 should not be published, the Federal
25 banking agency shall consult with the

1 chair and ranking member of the
2 Committee on Financial Services of
3 the House of Representatives and the
4 chair and ranking member of the
5 Committee on Banking, Housing, and
6 Urban Affairs of the Senate.

7 “(III) OMITTING MATERIALS.—

8 If, after the consultation required
9 under subclause (II), the Federal
10 banking agency determines there is a
11 substantial public interest in not pub-
12 lishing such materials, the Federal
13 banking agency shall provide those
14 materials to the Committee on Finan-
15 cial Services of the House of Rep-
16 resentatives and the Committee on
17 Banking, Housing, and Urban Affairs
18 of the Senate with a written expla-
19 nation describing the reasons for not
20 publishing those materials.

21 “(iii) PRIVILEGE.—For purposes of
22 this subparagraph, the term ‘privilege’ in-
23 cludes any work-product, attorney-client,
24 or other privilege recognized under Federal
25 or State law.

1 “(C) REPORT EXTENSION.—A Federal
2 banking agency may extend a deadline de-
3 scribed under subparagraph (A) for an addi-
4 tional 60 days, if the Federal banking agency—

5 “(i) faces ongoing circumstances that
6 require the Federal banking agency to
7 prioritize activities to promote stability of
8 the U.S. banking system; and

9 “(ii) notifies the Congress of such ex-
10 tension and the reasons for such extension.

11 “(D) CONSOLIDATED REPORTS.—A Fed-
12 eral banking agency may consolidate multiple
13 reports required under this paragraph so long
14 as the individual reports being consolidated all
15 meet the timing requirements under this para-
16 graph.

17 “(E) RULE OF CONSTRUCTION.—Nothing
18 in this paragraph or reports or materials pro-
19 vided pursuant to this paragraph may be con-
20 strued to limit the authority of a Federal agen-

1 cy to enforce violations of Federal statutes,
2 rules, or orders.”.

Passed the House of Representatives December 1,
2025.

Attest: KEVIN F. MCCUMBER,
Clerk.