119TH CONGRESS 1st Session } HOUSE OF REPRESENTATIVES { REPORT 119–364

FINANCIAL STABILITY OVERSIGHT COUNCIL IMPROVEMENT ACT OF 2025

NOVEMBER 4, 2025.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HILL of Arkansas, from the Committee on Financial Services, submitted the following

R E P O R T

[To accompany H.R. 3682]

The Committee on Financial Services, to whom was referred the bill (H.R. 3682) 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, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Financial Stability Oversight Council Improvement Act of 2025".

SEC. 2. FINANCIAL STABILITY OVERSIGHT COUNCIL.

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

(1) in subsection (a)—

(A) in paragraph (1), by striking "The Council" and inserting "Subject to paragraph (3), the Council"; and

(B) by adding at the end the following:

"(3) INITIAL DETERMINATION.—The Council may not vote on a proposed determination with respect to a U.S. nonbank financial company under paragraph (1) unless the Council first determines, in consultation with the company and the primary financial regulatory agency with respect to the company, that a different action by the Council or the agency (including the application of new or heightened standards and safeguards under section 120), or by the company under a written plan that is submitted promptly to the Council, is impracticable or insufficient to mitigate the threat that material financial distress at the company, or the nature, scope, size, scale, concentration, interconnectedness, or mix of the activities of the company, could pose to the financial stability of the United States."; and

(2) in subsection (f)(1), by striking "subsection (e)" and inserting "subsections (a)(3) and (e)".

PURPOSE AND SUMMARY

H.R. 3682, the *Financial Stability Oversight Council Improvement Act of 2025*, was introduced on June 3, 2025, by Democratic Representative Bill Foster (IL–11). H.R. 3682 requires the Financial Stability Oversight Council (FSOC), before voting to designate a U.S. nonbank financial company for Federal Reserve supervision, to first consult with the company and its primary regulator and determine that alternative actions, including new or heightened standards or a written mitigation plan, are impracticable or insufficient to address risks to U.S. financial stability. The Council may not vote on a proposed designation unless this determination is made.

BACKGROUND AND NEED FOR LEGISLATION

Established under Title I of the *Dodd-Frank Act*, FSOC was created to identify systemic risks and coordinate the Federal Government's response to emerging threats. In practice, however, FSOC has evolved into a vehicle for administration-dependent regulatory action rather than a neutral interagency forum. Its structure makes objective oversight unlikely—particularly given the political nature of the Treasury Secretary's role as Chair—and the reluctance of agency heads to critique executive policy failures.

FSOC's credibility suffered early missteps. In 2014, it designated MetLife as a systemically important financial institution (SIFI), subjecting it to enhanced supervision by the Federal Reserve Board (FRB). A Federal court overturned the designation, calling the process "arbitrary and capricious." FSOC later rescinded similar designations for Prudential and GE Capital, tacitly acknowledging they pose no meaningful systemic threat. In 2019, the Trump Administration overhauled the process and shifted to an activities-based approach, emphasizing coordination with primary regulators, requiring cost-benefit analysis, and limiting entity-based designations to a last resort. These reforms increased transparency and curbed regulatory overreach. In November of 2023, the Biden Administration released interpretive guidance reinstating FSOC's entity-specific designation approach, while also expanding FSOC's discretion to designate nonbank financial companies—without requiring an evaluation of alternatives to designation or conducting even basic cost-benefit analysis. H.R. 3682 establishes essential safeguards around the non-bank designation process, requiring FSOC to follow a careful and transparent procedure, including a thorough assessment of alternatives, before placing a firm under FRB oversight.

COMMITTEE CONSIDERATION

119TH CONGRESS

On June 3, 2025, Representative Foster introduced H.R. 3682, the *Financial Stability Oversight Council Improvement Act of 2025*, with Representative Bill Huizenga (R–MI) as original cosponsor. Representatives Josh Gottheimer (D–NJ), Young Kim (R–CA), Brad Sherman (D–CA), Brittany Pettersen (D–CO), Ritchie Torres (D–NY), Frank Lucas (R–OK), Dan Meuser (R–PA), Emanuel Cleaver (D–MO), Chrissy Houlahan (D–PA), David Scott (D–GA), Brad Schneider (D–IL), Vicente Gonzalez (D–TX), Ann Wagner (R–MO), Janelle Bynum (D–OR), Troy Downing (R–MT), Monica De La Cruz (R–TX), Mike Lawler (R–NY), Jim Himes (D–CT), and Zach Nunn (R–IA) were added subsequently as cosponsors.

This bill was attached to the July 15, 2025 hearing titled, "Dodd-Frank Turns 15: Lessons Learned and the Road Ahead."

On September 16, 2025, the Committee on Financial Services met in open session to consider, among others, H.R. 3682. The Committee ordered H.R. 3682, as amended, to be favorably reported to the House of Representatives.

118TH CONGRESS

On June 5, 2023, Representative Foster introduced H.R. 3812, the *Financial Stability Oversight Council Improvement Act of 2023*, with Representative Huizenga as original cosponsor. Representative Gottheimer was added subsequently as a cosponsor. This bill is an earlier iteration of H.R. 3682. The bill was referred solely to the Committee on Financial Services.

On February 8, 2023, the Subcommittee on Financial Institutions of the Committee on Financial Services held a hearing titled "Revamping and Revitalizing Banking in the 21st Century." A draft version of the bill was attached to the hearing. There was no further action on H.R. 3812 in the 118th Congress.

117TH CONGRESS

On June 15, 2021, Representative Foster introduced H.R. 3899, the *Financial Stability Oversight Council Improvement Act of 2021*, with Representatives Huizenga, Trey Hollingsworth (R–IN), and Ed Perlmutter (D–CO) as original cosponsors. This bill is an earlier iteration of H.R. 3682. The bill was referred solely to the Committee on Financial Services. There was no further action on H.R. 3899 in the 117th Congress.

116TH CONGRESS

On June 27, 2019, Representative Foster introduced H.R. 3561, the *Financial Stability Oversight Council Improvement Act of 2019*, with Representatives Huizenga, Hollingsworth, and Ben McAdams (D–UT) as original cosponsors. Representatives Perlmutter, Scott Tipton (R–CO), Terri Sewell (D–AL), Wagner, Gottheimer, Ted Budd (R–NC), Scott, Barry Loudermilk (R–GA), Madeleine Dean (D–PA), Andy Barr (R–KY), Cynthia Axne (D–IA), Gonzalez, Himes, Tom Graves (R–GA), Alexander Mooney (R–WV), Sean Duffy (R–WI), Sherman, Sean Maloney (D–NY), Suzan DelBene (D–WA), Brendan Boyle (D–PA), Blaine Luetkemeyer (R–MO), Bill Posey (R–FL), Denver Riggleman (R–VA), Anthony Gonzalez (R–OH), Houlahan, Kathleen Rice (D–NY), Roger Williams (R–TX), French Hill (R–AR), Ron Kind (D–WI), Scott Peters (D–CA), Ann Kuster (D–NH), Tom Emmer (R–MN), Jennifer Wexton (D–VA), and Lucas were added subsequently as cosponsors. This bill is an earlier iteration of H.R. 3682. The bill was referred solely to the Committee on Financial Services. There was no further action on H.R. 3561 in the 116th Congress.

RELATED HEARINGS

Pursuant to clause 3(c)(6) of rule XIII of the Rules of the House of Representatives, the following hearing was used to develop H.R. 3682:

The Subcommittee on Financial Institutions held a July 15, 2025, hearing titled, "Dodd-Frank Turns 15: Lessons Learned and the Road Ahead." H.R. 3682 was noticed for legislative consideration in the hearing. The subcommittee heard testimony from the following witnesses: The Honorable Ken Bentsen, President and CEO, Securities Industry and Financial Markets Association; Mrs. Lindsey Johnson, President and CEO, Consumer Bankers Association; Mr. Tom Quaadman, Chief of Government Affairs and Public Policy, Investment Company Institute; Dr. Paul H. Kupiec, Senior Fellow, American Enterprise Institute; and Mr. Dennis Kelleher, Co-founder, President, and Chief Executive Officer, Better Markets.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee Report to include record votes on the motion to report legislation and amendments thereto.

On September 16, 2025, the Committee ordered H.R. 3682, as amended, to be reported favorably to the House by a recorded vote of 47 yeas and 4 nays, a quorum being present. (Record Vote No. FC–198). Before the question to report was called, Representative Foster offered an amendment in the nature of a substitute, designated FOSTER_053, which made technical changes. The amendment was adopted by voice vote.

Committee on Financial Services

Markup 8
September 16, 2025

Bill: **H.R. 3682**
Measure: **H.R. 3682 (as amended)**
Amdt/Designated:

Record Vote No.
FC-198

Motion: **to report favorably**
Disposition: **AGREED TO (47-4)**

Member	Yea	Nay	Not Recorded	Member	Yea	Nay	Not Recorded
Chairman Hill	X			Ranking Member Waters	X		
Mr. Lucas	X			Ms. Velázquez		X	
Mr. Sessions	X			Mr. Sherman	X		
Mr. Huizenga	X			Mr. Meeks	X		
Mrs. Wagner	X			Mr. Scott	X		
Mr. Barr	X			Mr. Lynch	X		
Mr. Williams (TX)	X			Mr. Green (TX)	X		
Mr. Emmer	X			Mr. Cleaver	X		
Mr. Loudermilk	X			Mr. Himes	X		
Mr. Davidson	X			Mr. Foster	X		
Mr. Rose	X			Mrs. Beatty	X		
Mr. Steil	X			Mr. Vargas	X		
Mr. Timmons	X			Mr. Gottheimer	X		
Mr. Stutzman	X			Mr. Gonzalez	X		
Mr. Norman	X			Mr. Casten		X	
Mr. Meuser	X			Ms. Pressley		X	
Mrs. Kim	X			Ms. Tlaib		X	
Mr. Donalds			X	Mr. Torres (NY)	X		
Mr. Garbarino	X			Ms. Garcia (TX)	X		
Mr. Fitzgerald	X			Ms. Williams of GA	X		
Mr. Flood	X			Ms. Pettersen	X		
Mr. Lawler	X			Mr. Fields	X		
Ms. De La Cruz	X			Ms. Bynum	X		
Mr. Ogles			X	Mr. Liccardo	X		
Mr. Nunn	X						
Mrs. McClain	X						
Ms. Salazar			X				
Mr. Downing	X						
Mr. Haridopolos	X						
Mr. Moore (NC)	X						
	27	**0**	**3**		**20**	**4**	**0**

Committee Totals:

Yeas	Nays	Not Voting
47	**4**	**3**

Committee Oversight Findings

Pursuant to clause 3(c) of rule XIII of the Rules of the House of Representatives, the findings and recommendations of the Committee, based on oversight activities under clause 2(b)(1) of rule X of the Rules of the House of Representatives are incorporated in the descriptive portions of this report.

Performance Goals and Objectives

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the goal of H.R. 3682 is to establish safeguards around the non-bank designation process, requiring FSOC to follow a transparent procedure, including a thorough assessment of alternatives, before placing a firm under FRB oversight.

Committee Cost Estimate

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out H.R. 3682. The Committee has requested but not received a cost estimate from the Director of the Congressional Budget Office. However, pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee will adopt as its own the cost estimate by the Director of the Congressional Budget Office once it has been prepared.

New Budget Authority and CBO Cost Estimate

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974* and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, the Committee will adopt as its own the cost estimate for the bill prepared by the Director of the Congressional Budget Office. However, a cost estimate was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

Unfunded Mandates Statement

The Committee has requested but not received from the Director of the Congressional Budget Office an estimate of the Federal mandates pursuant to section 423 of the *Unfunded Mandates Reform Act*. The Chairman of the Committee shall cause such estimate to be printed in the Congressional Record upon its receipt by the Committee.

Earmark Statement

In compliance with clause 9 of rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI.

Federal Advisory Committee Act Statement

No advisory committees within the meaning of section 5(b) of the *Federal Advisory Committee Act* were created by this legislation.

Applicability to the Legislative Branch

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the *Congressional Accountability Act*.

Duplication of Federal Programs

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of the Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

Section-by-Section Analysis of the Legislation

Section 1. Short title

Section 1 provides the short title is the "Financial Stability Oversight Council Improvement Act of 2025".

Section 2. Financial Stability Oversight Council

Section 2 prohibits the FSOC from voting on a proposed determination with respect to a U.S. nonbank financial company unless the Council determines, in consultation with the company and its primary regulator, that a different course of action by the Council or agency, or by the company under a written plan, is impracticable or insufficient to mitigate the threat that material financial distress at the company could pose to U.S. financial stability.

Changes in Existing Law Made by the Bill, as Reported

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

FINANCIAL STABILITY ACT OF 2010

TITLE I—FINANCIAL STABILITY

* * * * * * *

Subtitle A—Financial Stability Oversight Council

* * * * * * *

SEC. 113. AUTHORITY TO REQUIRE SUPERVISION AND REGULATION OF CERTAIN NONBANK FINANCIAL COMPANIES.

(a) U.S. NONBANK FINANCIAL COMPANIES SUPERVISED BY THE BOARD OF GOVERNORS.—

(1) DETERMINATION.—[The Council] *Subject to paragraph (3), the Council*, on a nondelegable basis and by a vote of not fewer than ⅔ of the voting members then serving, including an affirmative vote by the Chairperson, may determine that a U.S. nonbank financial company shall be supervised by the Board of Governors and shall be subject to prudential standards, in accordance with this title, if the Council determines that material financial distress at the U.S. nonbank financial company, or the nature, scope, size, scale, concentration, interconnectedness, or mix of the activities of the U.S. nonbank financial company, could pose a threat to the financial stability of the United States.

(2) CONSIDERATIONS.—In making a determination under paragraph (1), the Council shall consider—

(A) the extent of the leverage of the company;

(B) the extent and nature of the off-balance-sheet exposures of the company;

(C) the extent and nature of the transactions and relationships of the company with other significant nonbank financial companies and significant bank holding companies;

(D) the importance of the company as a source of credit for households, businesses, and State and local governments and as a source of liquidity for the United States financial system;

(E) the importance of the company as a source of credit for low-income, minority, or underserved communities, and the impact that the failure of such company would have on the availability of credit in such communities;

(F) the extent to which assets are managed rather than owned by the company, and the extent to which ownership of assets under management is diffuse;

(G) the nature, scope, size, scale, concentration, interconnectedness, and mix of the activities of the company;

(H) the degree to which the company is already regulated by 1 or more primary financial regulatory agencies;

(I) the amount and nature of the financial assets of the company;

(J) the amount and types of the liabilities of the company, including the degree of reliance on short-term funding; and

(K) any other risk-related factors that the Council deems appropriate.

(3) INITIAL DETERMINATION.—The Council may not vote on a proposed determination with respect to a U.S. nonbank financial company under paragraph (1) unless the Council first determines, in consultation with the company and the primary financial regulatory agency with respect to the company, that a different action by the Council or the agency (including the application of new or heightened standards and safeguards under section 120), or by the company under a written plan that is submitted promptly to the Council, is impracticable or insuffi-

cient to mitigate the threat that material financial distress at the company, or the nature, scope, size, scale, concentration, interconnectedness, or mix of the activities of the company, could pose to the financial stability of the United States.

(b) FOREIGN NONBANK FINANCIAL COMPANIES SUPERVISED BY THE BOARD OF GOVERNORS.—

(1) DETERMINATION.—The Council, on a nondelegable basis and by a vote of not fewer than ⅔ of the voting members then serving, including an affirmative vote by the Chairperson, may determine that a foreign nonbank financial company shall be supervised by the Board of Governors and shall be subject to prudential standards, in accordance with this title, if the Council determines that material financial distress at the foreign nonbank financial company, or the nature, scope, size, scale, concentration, interconnectedness, or mix of the activities of the foreign nonbank financial company, could pose a threat to the financial stability of the United States.

(2) CONSIDERATIONS.—In making a determination under paragraph (1), the Council shall consider—

(A) the extent of the leverage of the company;

(B) the extent and nature of the United States related off-balance-sheet exposures of the company;

(C) the extent and nature of the transactions and relationships of the company with other significant nonbank financial companies and significant bank holding companies;

(D) the importance of the company as a source of credit for United States households, businesses, and State and local governments and as a source of liquidity for the United States financial system;

(E) the importance of the company as a source of credit for low-income, minority, or underserved communities in the United States, and the impact that the failure of such company would have on the availability of credit in such communities;

(F) the extent to which assets are managed rather than owned by the company and the extent to which ownership of assets under management is diffuse;

(G) the nature, scope, size, scale, concentration, interconnectedness, and mix of the activities of the company;

(H) the extent to which the company is subject to prudential standards on a consolidated basis in its home country that are administered and enforced by a comparable foreign supervisory authority;

(I) the amount and nature of the United States financial assets of the company;

(J) the amount and nature of the liabilities of the company used to fund activities and operations in the United States, including the degree of reliance on short-term funding; and

(K) any other risk-related factors that the Council deems appropriate.

(c) ANTIEVASION.—

(1) DETERMINATIONS.—In order to avoid evasion of this title, the Council, on its own initiative or at the request of the Board of Governors, may determine, on a nondelegable basis and by

a vote of not fewer than ⅔ of the voting members then serving, including an affirmative vote by the Chairperson, that—

(A) material financial distress related to, or the nature, scope, size, scale, concentration, interconnectedness, or mix of, the financial activities conducted directly or indirectly by a company incorporated or organized under the laws of the United States or any State or the financial activities in the United States of a company incorporated or organized in a country other than the United States would pose a threat to the financial stability of the United States, based on consideration of the factors in subsection (a)(2) or (b)(2), as applicable;

(B) the company is organized or operates in such a manner as to evade the application of this title; and

(C) such financial activities of the company shall be supervised by the Board of Governors and subject to prudential standards in accordance with this title, consistent with paragraph (3).

(2) REPORT.—Upon making a determination under paragraph (1), the Council shall submit a report to the appropriate committees of Congress detailing the reasons for making such determination.

(3) CONSOLIDATED SUPERVISION OF ONLY FINANCIAL ACTIVITIES; ESTABLISHMENT OF AN INTERMEDIATE HOLDING COMPANY.—

(A) ESTABLISHMENT OF AN INTERMEDIATE HOLDING COMPANY.—Upon a determination under paragraph (1), the company that is the subject of the determination may establish an intermediate holding company in which the financial activities of such company and its subsidiaries shall be conducted (other than the activities described in section 167(b)(2)) in compliance with any regulations or guidance provided by the Board of Governors. Such intermediate holding company shall be subject to the supervision of the Board of Governors and to prudential standards under this title as if the intermediate holding company were a nonbank financial company supervised by the Board of Governors.

(B) ACTION OF THE BOARD OF GOVERNORS.—To facilitate the supervision of the financial activities subject to the determination in paragraph (1), the Board of Governors may require a company to establish an intermediate holding company, as provided for in section 167, which would be subject to the supervision of the Board of Governors and to prudential standards under this title, as if the intermediate holding company were a nonbank financial company supervised by the Board of Governors.

(4) NOTICE AND OPPORTUNITY FOR HEARING AND FINAL DETERMINATION; JUDICIAL REVIEW.—Subsections (d) through (h) shall apply to determinations made by the Council pursuant to paragraph (1) in the same manner as such subsections apply to nonbank financial companies.

(5) COVERED FINANCIAL ACTIVITIES.—For purposes of this subsection, the term "financial activities"—

(A) means activities that are financial in nature (as defined in section 4(k) of the Bank Holding Company Act of 1956);

(B) includes the ownership or control of one or more insured depository institutions; and

(C) does not include internal financial activities conducted for the company or any affiliate thereof, including internal treasury, investment, and employee benefit functions.

(6) ONLY FINANCIAL ACTIVITIES SUBJECT TO PRUDENTIAL SUPERVISION.—Nonfinancial activities of the company shall not be subject to supervision by the Board of Governors and prudential standards of the Board. For purposes of this Act, the financial activities that are the subject of the determination in paragraph (1) shall be subject to the same requirements as a nonbank financial company supervised by the Board of Governors. Nothing in this paragraph shall prohibit or limit the authority of the Board of Governors to apply prudential standards under this title to the financial activities that are subject to the determination in paragraph (1).

(d) REEVALUATION AND RESCISSION.—The Council shall—

(1) not less frequently than annually, reevaluate each determination made under subsections (a) and (b) with respect to such nonbank financial company supervised by the Board of Governors; and

(2) rescind any such determination, if the Council, by a vote of not fewer than ⅔ of the voting members then serving, including an affirmative vote by the Chairperson, determines that the nonbank financial company no longer meets the standards under subsection (a) or (b), as applicable.

(e) NOTICE AND OPPORTUNITY FOR HEARING AND FINAL DETERMINATION.—

(1) IN GENERAL.—The Council shall provide to a nonbank financial company written notice of a proposed determination of the Council, including an explanation of the basis of the proposed determination of the Council, that a nonbank financial company shall be supervised by the Board of Governors and shall be subject to prudential standards in accordance with this title.

(2) HEARING.—Not later than 30 days after the date of receipt of any notice of a proposed determination under paragraph (1), the nonbank financial company may request, in writing, an opportunity for a written or oral hearing before the Council to contest the proposed determination. Upon receipt of a timely request, the Council shall fix a time (not later than 30 days after the date of receipt of the request) and place at which such company may appear, personally or through counsel, to submit written materials (or, at the sole discretion of the Council, oral testimony and oral argument).

(3) FINAL DETERMINATION.—Not later than 60 days after the date of a hearing under paragraph (2), the Council shall notify the nonbank financial company of the final determination of the Council, which shall contain a statement of the basis for the decision of the Council.

(4) NO HEARING REQUESTED.—If a nonbank financial company does not make a timely request for a hearing, the Council shall notify the nonbank financial company, in writing, of the final determination of the Council under subsection (a) or (b), as applicable, not later than 10 days after the date by which the company may request a hearing under paragraph (2).

(f) EMERGENCY EXCEPTION.—

(1) IN GENERAL.—The Council may waive or modify the requirements of [subsection (e)] *subsections (a)(3) and (e)* with respect to a nonbank financial company, if the Council determines, by a vote of not fewer than ⅔ of the voting members then serving, including an affirmative vote by the Chairperson, that such waiver or modification is necessary or appropriate to prevent or mitigate threats posed by the nonbank financial company to the financial stability of the United States.

(2) NOTICE.—The Council shall provide notice of a waiver or modification under this subsection to the nonbank financial company concerned as soon as practicable, but not later than 24 hours after the waiver or modification is granted.

(3) INTERNATIONAL COORDINATION.—In making a determination under paragraph (1), the Council shall consult with the appropriate home country supervisor, if any, of the foreign nonbank financial company that is being considered for such a determination.

(4) OPPORTUNITY FOR HEARING.—The Council shall allow a nonbank financial company to request, in writing, an opportunity for a written or oral hearing before the Council to contest a waiver or modification under this subsection, not later than 10 days after the date of receipt of notice of the waiver or modification by the company. Upon receipt of a timely request, the Council shall fix a time (not later than 15 days after the date of receipt of the request) and place at which the nonbank financial company may appear, personally or through counsel, to submit written materials (or, at the sole discretion of the Council, oral testimony and oral argument).

(5) NOTICE OF FINAL DETERMINATION.—Not later than 30 days after the date of any hearing under paragraph (4), the Council shall notify the subject nonbank financial company of the final determination of the Council under this subsection, which shall contain a statement of the basis for the decision of the Council.

(g) CONSULTATION.—The Council shall consult with the primary financial regulatory agency, if any, for each nonbank financial company or subsidiary of a nonbank financial company that is being considered for supervision by the Board of Governors under this section before the Council makes any final determination with respect to such nonbank financial company under subsection (a), (b), or (c).

(h) JUDICIAL REVIEW.—If the Council makes a final determination under this section with respect to a nonbank financial company, such nonbank financial company may, not later than 30 days after the date of receipt of the notice of final determination under subsection (d)(2), (e)(3), or (f)(5), bring an action in the United States district court for the judicial district in which the home office of such nonbank financial company is located, or in the United

States District Court for the District of Columbia, for an order requiring that the final determination be rescinded, and the court shall, upon review, dismiss such action or direct the final determination to be rescinded. Review of such an action shall be limited to whether the final determination made under this section was arbitrary and capricious.

(i) INTERNATIONAL COORDINATION.—In exercising its duties under this title with respect to foreign nonbank financial companies, foreign-based bank holding companies, and cross-border activities and markets, the Council shall consult with appropriate foreign regulatory authorities, to the extent appropriate.

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