

[DISCUSSION DRAFT]

117TH CONGRESS
1ST SESSION

H. R. _____

To require the global systemically important bank holding companies to provide annual reports to the Board of Governors of the Federal Reserve System, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. PRESSLEY introduced the following bill; which was referred to the Committee on _____

A BILL

To require the global systemically important bank holding companies to provide annual reports to 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 “Greater Supervision
5 In Banking Act of 2021” or the “GSIB Act of 2021”.

1 **SEC. 2. GSIB ANNUAL REPORTS.**

2 The Bank Holding Company Act of 1956 (12 U.S.C.
3 1841 et seq.) is amended by adding at the end the fol-
4 lowing:

5 **“SEC. 15. GSIB ANNUAL REPORTS.**

6 “(a) ANNUAL REPORT.—Each global systemically
7 important bank holding company shall issue an annual re-
8 port to the Board containing a description of the activities
9 of the company during the previous year and a description
10 of the company’s objectives and goals for the following
11 year.

12 “(b) SPECIFIC CONTENTS.—Each report required
13 under subsection (a) shall include a description of—

14 “(1) the company’s size and complexity, includ-
15 ing a listing of all company subsidiaries and their re-
16 lationship to specified company business lines;

17 “(2) with respect to each depository institution
18 subsidiary of the company, the number and geo-
19 graphic distribution of the branches of such sub-
20 sidiary;

21 “(3) any enforcement actions, including any
22 consent orders and settlements, against the company
23 (including any affiliate or subsidiary of the com-
24 pany), including enforcement actions related to labor
25 and health and safety law violations (in addition to
26 consumer protection);

1 “(4) with respect to each enforcement action
2 described under paragraph (3), the total number of
3 consumers or investors harmed by the conduct that
4 was the basis for such enforcement action;

5 “(5) the number of employees dismissed for
6 misconduct, and whether any such employees were
7 company executives;

8 “(6) the company’s capital market activities, in-
9 cluding with respect to securities (including under-
10 writing, trading, and securitization) and derivatives,
11 including—

12 “(A) the trading desk structure of the
13 company, identifying each desk and the instru-
14 ments traded or held at each desk;

15 “(B) the average and standard deviation of
16 a metric of inventory, constructed using data on
17 individual trading desk positions, for long secu-
18 rities positions, short securities positions, and
19 derivatives, at each individual trading desk for
20 a quarterly period six months prior to the re-
21 porting date; and

22 “(C) how the company complies with re-
23 strictions under section 13 of the Bank Holding
24 Company Act of 1956 (commonly referred to as
25 the ‘Volcker Rule’) at each trading desk, includ-

1 ing a general description of the methodology for
2 determining reasonably expected near term cus-
3 tomer demand and for designing compensation
4 practices at the desk so as not to create incen-
5 tives for proprietary trading;

6 “(7) the extent to which the company utilizes
7 forced arbitration clauses in contracts with con-
8 sumers, employees, investors, and contractors;

9 “(8) the company’s compensation and clawback
10 policies, including—

11 “(A) how these policies are designed to
12 promote accountability of company executives;

13 “(B) how the compensation of the chief ex-
14 ecutive officer and other senior executives com-
15 pares to the median compensation of an em-
16 ployee of the company; and

17 “(C) a detailed description of any stipula-
18 tion that third-party vendor of the company
19 pays its employees a minimum wage;

20 “(9) with respect to compensation paid by the
21 company—

22 “(A) the average amount of compensation
23 received by each decile of employees;

24 “(B) a break down of the base pay and in-
25 centive pay for each decile, including a descrip-

1 tions of metrics, sales goals, or cross selling re-
2 quired to be met in order to qualify for the in-
3 centive or bonus pay;

4 “(C) the minimum wage received by em-
5 ployees; and

6 “(D) the number of employees who receive
7 the minimum wage;

8 “(10) the diversity of the directors of the com-
9 pany’s board and senior executives, the policies and
10 practices implemented at the company to promote
11 diversity and inclusion among the company’s work-
12 force, and the policies implemented by the company
13 to promote the use of diverse contractors, including
14 diverse asset managers, brokers and underwriters;

15 “(11) the company’s approach to cybersecurity
16 and protecting consumer data;

17 “(12) the total number of whistleblower and
18 ethics complaints made by employees through inter-
19 nal company protocols over the past year, what
20 issues were involved in the complaints, and what the
21 resolutions of the complaints were;

22 “(13) the company’s actions taken in relation to
23 climate risk;

24 “(14) the company’s investments in, partner-
25 ships with, and support provided to minority deposi-

1 tory institutions and community development finan-
2 cial institutions;

3 “(15) any merger or acquisition that was com-
4 pleted in the previous year, including—

5 “(A) a description of how each merger or
6 acquisition affected the company’s size and
7 complexity;

8 “(B) a list of Federal or State government
9 agencies that approved the transaction; and

10 “(C) a description of any conditions placed
11 by a Federal or State government agency on
12 the company when the transaction was ap-
13 proved; and

14 “(16) a comparison of how the company’s re-
15 sponses to paragraphs (1) through (14) have
16 changed over the last ten years.

17 “(c) PUBLIC AVAILABILITY OF REPORTS.—The
18 Board shall make the reports received under this section
19 available to the public, including on the website of the
20 Board.

21 “(d) GLOBAL SYSTEMICALLY IMPORTANT BANK
22 HOLDING COMPANY DEFINED.—In this section, the term
23 ‘global systemically important bank holding company’
24 means a global systemically important bank holding com-

1 pany, as such term is defined under section 217.402 of
2 title 12, Code of Federal Regulations.”.