

119TH CONGRESS
1ST SESSION

H. R. 3380

To require the Federal financial institutions regulatory agencies to take risk profiles and business models of institutions into account when taking regulatory actions, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 14, 2025

Mr. LOUDERMILK introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To require the Federal financial institutions regulatory agencies to take risk profiles and business models of institutions into account when taking regulatory actions, 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 “Taking Account of In-
5 stitutions with Low Operation Risk Act of 2025” or the
6 “TAILOR Act of 2025”.

1 **SEC. 2. TAILORING REGULATION TO BUSINESS MODEL AND**
2 **RISK.**

3 (a) DEFINITIONS.—In this section—

4 (1) the term “Federal financial institutions reg-
5 ulatory agency” means the Office of the Comptroller
6 of the Currency, the Board of Governors of the Fed-
7 eral Reserve System, the Federal Deposit Insurance
8 Corporation, the National Credit Union Administra-
9 tion, and the Bureau of Consumer Financial Protec-
10 tion; and

11 (2) the term “regulatory action”—

12 (A) means any proposed, interim, or final
13 rule or regulation; and

14 (B) does not include any action taken by
15 a Federal financial institutions regulatory agen-
16 cy that is solely applicable to an individual in-
17 stitution, including an enforcement action or
18 order.

19 (b) CONSIDERATION AND TAILORING.—For any reg-
20 ulatory action occurring after the date of enactment of
21 this Act, each Federal financial institutions regulatory
22 agency shall—

23 (1) take into consideration the risk profile and
24 business models of each type of institution or class
25 of institutions subject to the regulatory action; and

1 (2) tailor the regulatory action applicable to an
2 institution, or type of institution, in a manner that
3 limits the regulatory impact, including cost, human
4 resource allocation, and other burdens, on the insti-
5 tution or type of institution as is appropriate for the
6 risk profile and business model involved.

7 (c) FACTORS TO CONSIDER.—In carrying out the re-
8 quirements of subsection (b), each Federal financial insti-
9 tutions regulatory agency shall consider—

10 (1) the aggregate effect of all applicable regu-
11 latory action on the ability of institutions to flexibly
12 serve customers of the institutions and local markets
13 on and after the date of enactment of this Act;

14 (2) the potential effect that efforts to imple-
15 ment the regulatory action and third-party service
16 provider actions may work to undercut efforts to tai-
17 lor the regulatory action described in subsection
18 (b)(2); and

19 (3) the statutory provision authorizing the reg-
20 ulatory action, the congressional intent with respect
21 to the statutory provision, and the underlying policy
22 objectives of the regulatory action.

23 (d) NOTICE OF PROPOSED AND FINAL RULE-
24 MAKING.—Each Federal financial institutions regulatory
25 agency shall disclose and document in every notice of pro-

1 posed rulemaking and in any final rulemaking for a regu-
2 latory action described in subsection (b).

3 (e) REPORTS TO CONGRESS.—Not later than 1 year
4 after the date of enactment of this Act and annually there-
5 after, each Federal financial institutions regulatory agency
6 shall submit to the Committee on Banking, Housing, and
7 Urban Affairs of the Senate and the Committee on Finan-
8 cial Services of the House of Representatives a report on
9 the specific actions taken to tailor the regulatory actions
10 of the Federal financial institutions regulatory agency
11 pursuant to the requirements of this section.

12 (f) LIMITED LOOK-BACK APPLICATION.—

13 (1) IN GENERAL.—Each Federal financial insti-
14 tutions regulatory agency shall—

15 (A) conduct a review of all final regula-
16 tions issued pursuant to statutes enacted dur-
17 ing the period beginning on the date that is 15
18 years before the date on which this Act is intro-
19 duced in the House of Representatives and end-
20 ing on the date of enactment of this Act; and

21 (B) apply the requirements of this section
22 to the regulations described in subparagraph
23 (A).

1 (2) REVISION.—Any regulation revised under
2 paragraph (1) shall be revised not later than 3 years
3 after the date of enactment of this Act.

4 **SEC. 3. SHORT-FORM CALL REPORTS FOR ALL BANKS ELI-**
5 **GIBLE FOR THE COMMUNITY BANK LEVER-**
6 **AGE RATIO.**

7 The appropriate Federal banking agencies, as defined
8 in section 3 of the Federal Deposit Insurance Act (12
9 U.S.C. 1813), shall promulgate regulations establishing a
10 reduced reporting requirement for all banks eligible for the
11 Community Bank Leverage Ratio, as defined in section
12 201(a) of the Economic Growth, Regulatory Relief, and
13 Consumer Protection Act (12 U.S.C. 5371 note), when
14 making the first and third report of condition of a year
15 as required by section 7(a) of the Federal Deposit Insur-
16 ance Act (12 U.S.C. 1817(a)).

17 **SEC. 4. REPORT TO CONGRESS ON MODERNIZATION OF SU-**
18 **PERVISION.**

19 Not later than 18 months after the date of enactment
20 of this Act, the appropriate Federal banking agencies, as
21 defined in section 3 of the Federal Deposit Insurance Act
22 (12 U.S.C. 1813), in consultation with State bank super-
23 visors, shall submit to the Committee on Banking, Hous-
24 ing, and Urban Affairs of the Senate and the Committee
25 on Financial Services of the House of Representatives a

1 report on the modernization of bank supervision, including
2 the following factors:

3 (1) Changing bank business models.

4 (2) Examiner workforce and training.

5 (3) The structure of supervisory activities with-
6 in banking agencies.

7 (4) Improving bank-supervisor communication
8 and collaboration.

9 (5) The use of supervisory technology.

10 (6) Supervisory factors uniquely applicable to
11 community banks.

12 (7) Changes in statutes necessary to achieve
13 more effective supervision.

○