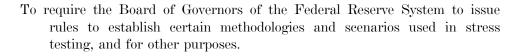
[DISCUSSION DRAFT]

H.R.

119TH CONGRESS 1ST SESSION



IN THE HOUSE OF REPRESENTATIVES

M____ introduced the following bill; which was referred to the Committee on _____

A BILL

- To require the Board of Governors of the Federal Reserve System to issue rules to establish certain methodologies and scenarios used in stress testing, 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 "Stress Testing Ac-
- 5 countability and Transparency Act".

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1SEC. 2. RULEMAKING RELATED TO STRESS CAPITAL BUFF-2ER REQUIREMENTS.

3 (a) IN GENERAL.—Not later than 90 days after the date of the enactment of this section, the Board of Gov-4 5 ernors of the Federal Reserve System (in this Act referred to as the "Board") shall issue a rule to establish any mod-6 els, assumptions, formulas, or other decisional methodolo-7 8 gies that are used to determine any component or subcomponent of the stress capital buffer requirement for a 9 10 bank holding company.

(b) CHANGES.—The Board may only make changesto the rule issued under subsection (a) through notice andcomment rulemaking.

(c) STRESS CAPITAL BUFFER REQUIREMENT DEFINED.—In this section, the term "stress capital buffer
requirement" has the meaning given the term in section
225.8(c) of title 12 of the Code of Federal Regulations.

18 SEC. 3. RULEMAKING RELATING TO STRESS TESTING.

(a) IN GENERAL.—Beginning in the first calendar
year beginning after the date of the enactment of this section, the Board shall, not less than 30 days before conducting a stress test pursuant to section 165(i) of the Financial Stability Act of 2010, issue a rule to establish each
scenario to be used in such stress test.

(b) PROHIBITION.—The Board may not, by rule orotherwise, subject any nonbank financial company to a cli-

mate-related stress test using the authority provided in
 section 165(i) of the Financial Stability Act of 2010.

3 SEC. 4. GAO REPORT.

4 (a) IN GENERAL.—The Comptroller General of the
5 United States shall, every 3 years, conduct a study and
6 submit a report to the Congress with respect to the stress
7 tests conducted by the Board under section 165(i) of the
8 Financial Stability Act of 2010 in the 3 most recent cal9 endar years.

10 (b) CONTENTS.—The report submitted to the Con11 gress under subsection (a) shall consider the effectiveness
12 of the stress tests in evaluating—

13 (1) the safety and soundness of the nonbank fi-14 nancial institutions subjected to stress tests;

15 (2) the stability of the United States financial16 system.