

Suspend the Rules and Pass the Bill, H.R. 4458, with an Amendment

(The amendment strikes all after the enacting clause and inserts a new text)

116TH CONGRESS
1ST SESSION

H. R. 4458

To require the Board of Governors of the Federal Reserve System to issue reports on cybersecurity with respect to the functions of the Federal Reserve System, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 24, 2019

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

A BILL

To require the Board of Governors of the Federal Reserve System to issue reports on cybersecurity with respect to the functions 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 “Cybersecurity and Fi-
5 nancial System Resilience Act of 2019”.

1 **SEC. 2. CYBERSECURITY AND FINANCIAL SYSTEM RESIL-**
2 **IENCE REPORT.**

3 (a) IN GENERAL.—Not later than the end of the 180-
4 day period beginning on the date of enactment of this Act,
5 and annually thereafter, each banking regulator shall sub-
6 mit a report to the Committee on Financial Services of
7 the House of Representatives and the Committee on
8 Banking, Housing, and Urban Affairs of the Senate that
9 provides a detailed explanation of measures undertaken to
10 strengthen cybersecurity with respect to the functions of
11 the regulator, including the supervision and regulation of
12 financial institutions and, where applicable, third-party
13 service providers. Each such report shall specifically in-
14 clude a detailed analysis of—

15 (1) policies and procedures (including those de-
16 scribed under section 3554(b) of title 44, United
17 States Code) that guard against—

18 (A) efforts to deny access to or degrade,
19 disrupt, or destroy any information and com-
20 munications technology system or network, or
21 exfiltrate information from such a system or
22 network without authorization;

23 (B) destructive malware attacks;

24 (C) denial of service activities; and

25 (D) any other efforts that may threaten
26 the functions of the banking regulator or enti-

1 ties overseen by the regulator by undermining
2 cybersecurity and the resilience of the financial
3 system;

4 (2) activities to ensure the effective implemen-
5 tation of policies and procedures described under
6 paragraph (1), including—

7 (A) the appointment of qualified staff, the
8 provision of staff training, the use of account-
9 ability measures to support staff performance,
10 and the designation, if any, of senior appointed
11 leadership to strengthen accountability for over-
12 sight of cybersecurity measures;

13 (B) deployment of adequate resources and
14 technologies;

15 (C) efforts to respond to cybersecurity-re-
16 lated findings and recommendations of the In-
17 spector General of the banking regulator or the
18 independent evaluation described under section
19 3555 of title 42, United States Code; and

20 (D) as appropriate, efforts to strengthen
21 cybersecurity in coordination with other Federal
22 departments and agencies, domestic and foreign
23 financial institutions, and other partners, in-
24 cluding the development and dissemination of

1 best practices regarding cybersecurity and the
2 sharing of threat information; and

3 (3) any current or emerging threats that are
4 likely to pose a risk to the resilience of the financial
5 system.

6 (b) FORM OF REPORT.—The report required under
7 subsection (a) shall be submitted in unclassified form, but
8 may include a classified annex, if appropriate.

9 (c) CONGRESSIONAL BRIEFING.—Upon request, the
10 head of each banking regulator shall provide a detailed
11 briefing to the appropriate Members of Congress on each
12 report submitted pursuant to subsection (a), except—

13 (1) the Chairman of the Board of Governors of
14 the Federal Reserve System may designate another
15 member of the Board of Governors of the Federal
16 Reserve System to provide such briefing;

17 (2) the Chairperson of the Federal Deposit In-
18 surance Corporation may designate another member
19 of the Board of Directors of the Corporation to pro-
20 vide such briefing; and

21 (3) the Chairman of the National Credit Union
22 Administration may designate another member of
23 the National Credit Union Administration Board to
24 provide such briefing.

25 (d) DEFINITIONS.—For the purposes of this Act:

1 (1) APPROPRIATE MEMBERS OF CONGRESS.—
2 The term “appropriate Members of Congress”
3 means the following:

4 (A) The Chairman and Ranking Member
5 of the Committee on Financial Services of the
6 House of Representatives.

7 (B) The Chairman and Ranking Member
8 of the Committee on Banking, Housing, and
9 Urban Affairs of the Senate.

10 (2) BANKING REGULATOR.—The term “banking
11 regulator” means the Board of Governors of the
12 Federal Reserve System, the Comptroller of the Cur-
13 rency, the Federal Deposit Insurance Corporation,
14 and the National Credit Union Administration.

15 (3) SENIOR APPOINTED LEADERSHIP.—With
16 respect to a banking regulator, the term “senior ap-
17 pointed leadership” means a position that requires
18 Senate confirmation.

19 (e) SUNSET.—The provisions of this Act shall have
20 no force or effect on or after the date that is 7 years after
21 the date of enactment of this Act.

22 **SEC. 3. DETERMINATION OF BUDGETARY EFFECTS.**

23 The budgetary effects of this Act, for the purpose of
24 complying with the Statutory Pay-As-You-Go Act of 2010,
25 shall be determined by reference to the latest statement

1 titled “Budgetary Effects of PAYGO Legislation” for this
2 Act, submitted for printing in the Congressional Record
3 by the Chairman of the House Budget Committee, pro-
4 vided that such statement has been submitted prior to the
5 vote on passage.