Suspend the Rules and Pass the Bill, H.R. 4841, with an Amendment
(The amendment strikes all after the enacting clause and inserts a
new text)

116TH CONGRESS
1ST SESSION
H. R. 4841

To require the prudential banking regulators to provide annual testimony
to Congress on their supervision and regulation activities, and for other
purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 23, 2019

Mr. PHILLIPS (for himself, Mr. LOUDERMILK, and Mrs. BEATTY) introduced
the following bill; which was referred to the Committee on Financial Services

A BILL

To require the prudential banking regulators to provide annual testimony to Congress on their supervision and regulation activities, and for other purposes.

1 Be it enacted by the Senate and House of Represen-
2 tatives of the United States of America in Congress assembled,

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Prudential Regulator

5 Oversight Act”.


SEC. 2. ANNUAL TESTIMONY.

(a) IN GENERAL.—The Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5301 et seq.) is amended by adding at the end of title VI the following:

“SEC. 629. ANNUAL TESTIMONY OF PRUDENTIAL REGULATORS.

“(a) SEMI-ANNUAL REPORT.—

“(1) IN GENERAL.—The prudential regulators shall each issue a semi-annual report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives regarding the efforts, activities, objectives, and plans of the regulator with respect to the conduct of supervision and regulation of depository institution holding companies, depository institutions, and credit unions.

“(2) SPECIFIC CONTENTS.—Each report required under paragraph (1) shall include a description of—

“(A) the safety and soundness of depository institution holding companies, depository institutions, and credit unions, including capital, liquidity, leverage, stress testing, and living wills, as applicable;
“(B) the examination and supervision of
depository institution holding companies, depos-
itory institutions, and credit unions, particu-
larly G-SIBs, including—

“(i) a detailed description of public
enforcement actions taken during the re-
porting period;

“(ii) aggregate data regarding super-
visory concerns examiners have issued in
writing to the boards of regulated institu-
tions during the reporting period;

“(iii) supervisory observations by the
regulator on particular areas and topics of
concern identified through the examination
and supervisory process; and

“(iv) a description of the regulator’s
exercise of all available tools beyond impos-
ing public fines to ensure compliance with
all applicable laws and regulations, as well
as actions to ensure accountability for cul-
pable executives;

“(C) emerging risks that may affect depos-
itory institutions and potential threats to the fi-
nancial stability of the United States, and any
actions the regulator took in coordination with
the Office of Financial Research, to identify and mitigate those threats;

“(D) any recent actions taken by the regulator as a voting member of the Financial Stability Oversight Council and any updates related to authorities the regulator has under title I or title VIII of this Act with respect to enhanced prudential standards and supervision of large bank holding companies and firms designated by the Financial Stability Oversight Council;

“(E) the implementation of the regulator’s diversity and inclusion efforts, including its implementation of section 342 of this Act and the regulator’s compliance with section 308 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 with respect to minority depository institutions;

“(F) the implementation of the Community Reinvestment Act of 1977, including information on examinations, guidance, and regulations;

“(G) any mandatory provision of law that has not been implemented yet by the regulator,
including the date on which the mandatory provision will be implemented;

“(H) an overview of the mergers and acquisitions process, including data and descriptions of any mergers and acquisitions approved during the reporting period;

“(I) examinations for Bank Secrecy Act and anti-money laundering compliance, as well as coordination with the Financial Crimes Enforcement Network and appropriate communication with depository institutions and credit unions;

“(J) the utilization of financial technology as it relates to depository institution holding companies, depository institutions, and credit unions regulated by the regulator, including the use of various technologies by depository institutions and credit unions as well as partnerships with third-party companies;

“(K) cybersecurity of depository institution holding companies, depository institutions, and credit unions, including steps taken to enhance cyber readiness and strengthen the protection of consumer data; and
“(L) compliance with chapter 5 of title 5, United States Code (commonly referred to as the ‘Administrative Procedure Act’) and chapter 8 of title 5, United States Code (commonly referred to as the ‘Congressional Review Act’), as well as all guidance documents and rulemakings issued by the prudential regulator in the previous 6-month period.

“(3) CONFIDENTIALITY REQUIREMENT.—Each report required under paragraph (1) shall include only information that does not constitute confidential supervisory information about a specific institution, but may include aggregate information on an industry-wide basis or on a segment of an industry.

“(b) TESTIMONY.—

“(1) IN GENERAL.—The prudential regulators shall each appear before the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives at an annual hearing to testify with respect to the reports required under subsection (a).

“(2) VICE CHAIRMAN FOR SUPERVISION.—The Vice Chairman for Supervision of the Board of Governors shall appear before the Committee on Banking, Housing, and Urban Affairs of the Senate and
the Committee on Financial Services of the House of Representatives at a semiannual hearing to testify with respect to the reports required under subsection (a). Any such appearance shall satisfy the requirements of section 10(12) of the Federal Reserve Act.

“(c) DEFINITIONS.—In this section:

“(1) BANK SECRECY ACT.—The term ‘Bank Secrecy Act’ means—

“(A) section 21 of the Federal Deposit Insurance Act;

“(B) chapter 2 of title I of Public Law 91–508; and

“(C) subchapter II of chapter 53 of title 31, United States Code;

“(2) G-SIB.—The term ‘G-SIB’ means a global systemically important bank holding company, as such term is defined under section 217.402 of title 12, Code of Federal Regulations.

“(3) PRUDENTIAL REGULATORS.—The term ‘prudential regulators’ means the Vice Chairman for Supervision of the Board of Governors, the Comptroller of the Currency, the Chairperson of the Corporation, and the Chairman of the National Credit Union Administration Board.”.
(b) CLERICAL AMENDMENT.—The table of contents under section 1(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act is amended by inserting after the item relating to section 628 the following:

“Sec. 629. Annual testimony of prudential regulators.”.

SEC. 3. DETERMINATION OF BUDGETARY EFFECTS.

The budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go Act of 2010, shall be determined by reference to the latest statement titled “Budgetary Effects of PAYGO Legislation” for this Act, submitted for printing in the Congressional Record by the Chairman of the House Budget Committee, provided that such statement has been submitted prior to the vote on passage.